

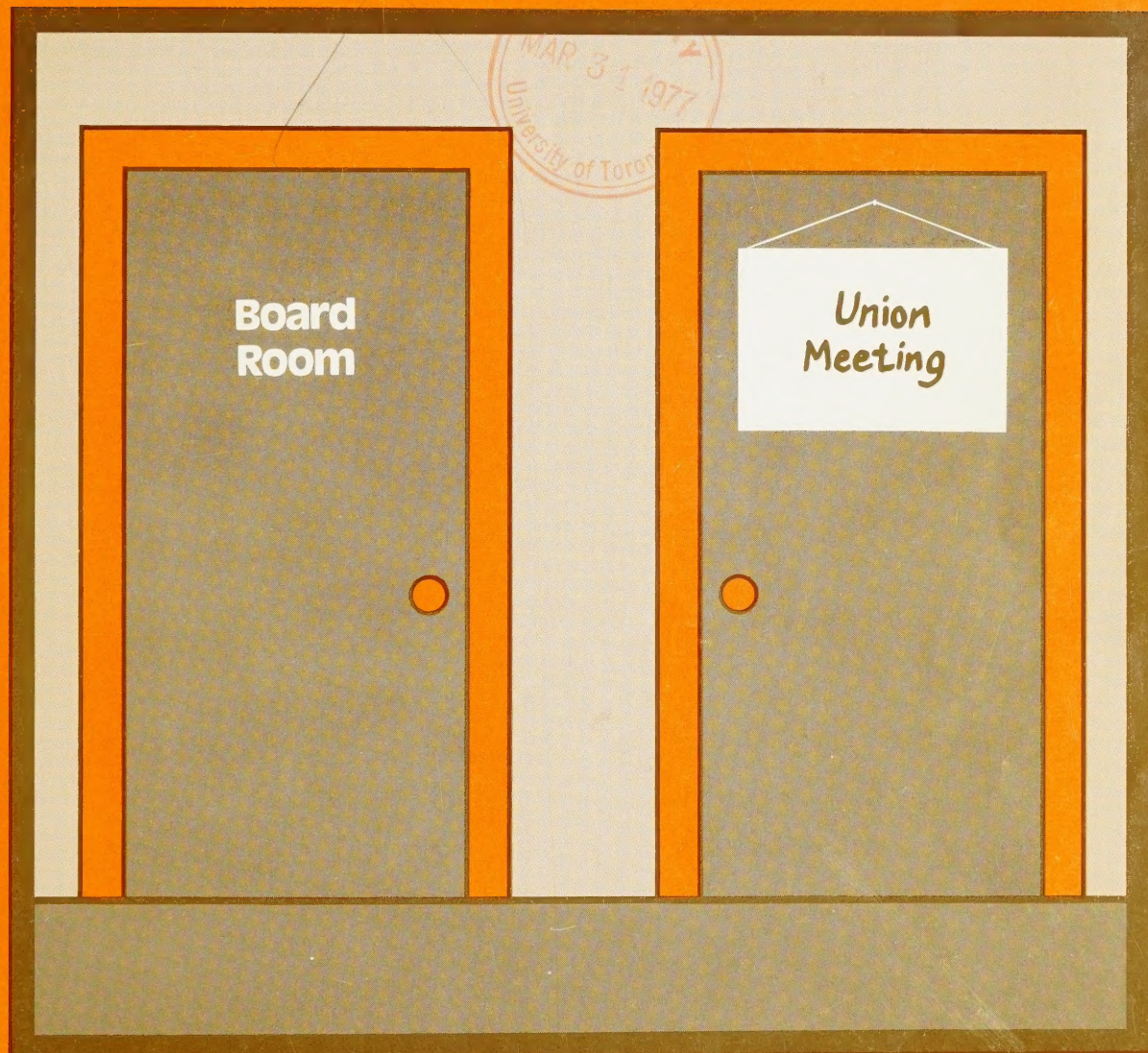


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january 1977



**Co-determination
in Canada?**

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**Travail
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INDUSTRIAL DEMOCRACY

Dutch "work structuring" deemed limited success

The Netherlands has found its past efforts at "work structuring" to be less than a total success, and is launching a new series of experiments supervised by the country's productivity committee.

In the 1960s, employees in several companies were given more control over their own work and their immediate work environment, through experiments in organizational change initiated by management.

While there were some increases in both productivity and job satisfaction when the first experimental period ended four or five years ago, "there was a feeling that the results fell short of expectations," according to an analysis in *World of Work Report*, a monthly publication of Work in America Institute Inc., based in Scarsdale, N.Y.

There were complaints that the projects were often confined to only small sections of companies, and that managers were taking too narrow a view of the potential for organizational change. Workers complained that "job consultation" techniques were used to

solve management's problems while employee problems were ignored. Unions criticized work structuring methods as "anti-union and manipulative."

Hence, the report says, the country's unions have been growing disillusioned with work structuring and have been increasingly "focussing on radical, politically-oriented action."

"The harmony of interests between labour and capital, rarely questioned a quarter-century ago, is no longer accepted," it adds.

Nevertheless, despite union inclination to be "unco-operative" the new experiments are expected to get off the ground, with "sufficient guarantees to protect the interests of workers and unions."

PEOPLE

New UAW leader

Douglas A. Fraser, 60, United Auto Workers' vice-president, in charge of the Chrysler division, has been selected by his fellow officers to succeed Leonard Woodcock, 65, who is retiring as president of the union. He will be formally elected at the UAW's May convention.

Marshall new U.S. labor secretary

F. Ray Marshall, 49, has been appointed U.S. labor secretary by President Jimmy Carter. Marshall served in the Navy during the Second World War, after which he returned to university where he received a doctorate in economics from the University of California. Marshall had been serving as chairman of the economics department at the University of Texas until his appointment to the labor portfolio.

AFL-CIO President George Meany expressed approval of the appointment this way: "Ray Marshall has had a long and distinguished career in the academic world as a labor economist whose views are liberal, informed, and sensible. We have worked closely with him in the past in programs to enhance the employment opportunities of the underprivileged. He will have our full co-operation in the effort to achieve full employment, full production, and a balanced economy."

THE WORKPLACE

Casual clothes acceptable

The traditional business suit is becoming much less common for office wear, according to a survey by the Dartnell Institute of Business Research in Chicago, Ill.

The leisure suit was acceptable dress for 80 per cent of the 300 U.S. and Canadian companies surveyed, and 98 per cent accepted a sports coat. A tie was not regarded as a necessary accessory by 65 per cent.

However, "more formal organizations" — banks, insurance companies, hospitals and government offices — permitted sports coats but required that ties be worn with them.

Co-ordinated pant suits were acceptable women's wear for all the employees, but only 25 per cent would permit employees to wear jeans.

EMPLOYMENT

Husband-wife teams

Some U.S. companies are relaxing their rules against employing wives or husbands of senior officers, with favourable results.

"A by product of women's movement into management — and their refusal to remain single — the company couple is beginning to flourish," says the U.S. periodical, *Business Week*.

"The consensus is that both companies and couples find it advantageous: The company obtains access to desirable employees it might otherwise miss and gets a fair assurance of their top-flight performance because husband and wife tend to reinforce each other," *Business Week* finds. "For their part, the husband and wife share common interests, understand each other's work problems, and in some cases receive the company's help in managing dual careers."

But there are also liabilities, the periodical reports — "the risk that one partner will be penalized if the other runs into trouble and the possibility that the two careers will collide — for instance if both wind up competing for the same job or reporting to the same supervisor."

Promotions involving transfers can also be a problem, since many companies cannot provide positions for both spouses in the same city.

Sometimes a spouse may choose to forego a promotional opportunity involving a transfer in order not to move away from his or her partner.

Usually transfers go smoothly in larger companies such as International Business Machines Corporation. One IBM couple, Robert and Eleanore Young, have moved together from St. Louis to Washington to Indianapolis and to Detroit in the nine years they have been married.

WOMEN

More years working

U.S. labor department statistics show women are spending more years in the workforce while men are spending fewer.

That conclusion emerges from an analysis by researchers, Howard N. Fullerton and James J. Byrne, published in *Monthly Labor Review*.

In 1900 the average man experienced five times as many years of labour-force participation as the average woman — 32.1 years to 6.3. By 1970, that ratio had fallen to less than twice as many years. During the 1960-70 decade alone, women's work-life expectancy at birth rose from 20.1 years to 22.9 while men's declined from 41.1 to 40.1.

"This means that women are increasing their contribution to wage and salary employment in the United States," the researchers write.

"The striking feature about recent growth in women's work-life expectancy is that it has occurred among married women, including those with children," they add.

"In 1970, 1 in 3 women with children under 6 was in the labour force; this compares with an average of about 1 in 5 as late as 1960. Motherhood, traditionally the most important symbol of differentiated sex roles, is less a barrier to a career than ever before."

More daycare needed

About one in six mothers with pre-school children would look for work if free daycare were available, a study commissioned by the U.S. labor department finds.

The study, which traced the labour market activities of 5,000 women from 1967 to 1972, also found that relatively few of the mothers had established working careers.

One half of the single women and one third of married women without children had established careers and worked in the same field for most of their time since leaving school. This compared with only 7 per cent of women with children having careers.

The study was conducted by the centre for human research at Ohio State University. The labor department has extended it for a further five years.

PERSONNEL MANAGEMENT

Swedish anti-dismissal laws rapped by employers

Swedish employers are becoming increasingly critical of an anti-

dismissal law in force since July, 1974.

The law prohibits the dismissal of employees for all but the most serious errors. It also requires that strict seniority rules apply when layoffs are needed because of shut-downs.

Restrictions on dismissals exist in most European countries, but Sweden's law is the most rigid. It leaves "virtually no room for discretionary action by the employers," says *World of Work Report*, a monthly periodical of Work in America Institute, Scarsdale, N.Y.

Under the law, employees who feel they have been dismissed unjustly may appeal to the Labour Court which can order reinstatement and payment of damages and court costs. Penalties of up to \$10,000 have been ordered for unjust dismissal of a single employee.

The law has had several effects on the job market. It has made employers wary of hiring new people unless it is absolutely necessary to do so. And "because employers are anxious to hire only the most reliable workers, the result is that workers on the margins of the labour market — the young, the old and the handicapped — find it difficult to be given the chance to prove themselves."

However, the law's defenders maintain the penalties against companies are necessary "to protect employees from arbitrary action by employers."

"Human relations" managers important

Personnel, or "human relations" managers may become among the most important people in North

American industry, according to Ross A. Hennigar, president of Sun Oil Company.

As capital dollars become even harder to find in future, industry will have to make better use of its human resources, he said in an address to the Personnel Association of Toronto.

The time is long past when companies can afford to use their personnel departments "as a sort of dumping ground for executive misfits," Hennigar added.

He described developments in industry that have made it essential for companies to renew their emphasis on applying the findings of human behaviour research to increase productivity:

"In the past 30 years, North American industry has been able to cope with the decreasing productivity of its labour force by investing and reinvesting heavily in capital equipment and automation.

"There certainly will be opportunities to do so in the future but the quantum advances which we have been able to achieve in the past are unlikely...

"Capital dollars are going to be increasingly difficult to come by and also very expensive to repay and increasingly difficult to justify spending.

"This trend could well result in making the HR function the most important one in a company, because instead of buying improved productivity, we are going to come to realize, at long last, that the apparently trite phrase 'people are our most important asset' is fact, and that those companies that face up to this truism will be those that grow and thrive."

Hennigar said the General Motors Lordstown plant provides a striking

example of what North American industry is facing.

"GM built one of the most advanced, automated, technically sound, capital intensive automobile manufacturing plants in the world. But it didn't work because the people systems had not been developed or engineered that would allow it to work.


"GM recognized their problem and decided they did not have the internal resources to solve it. They hired Stephen Fuller who was an associate dean of the Harvard Business School to head up a new personnel administration and development group.

"His primary goal is to develop people systems for the 70s and 80s and I'm confident GM will be successful in showing the way in human technology in the next 10 years as they have been in manufacturing technology in the last 10."

Hennigar said many other companies are also pursuing similar projects. He also admitted that "in this era of tight budgets and cost control programs" his suggestion might not be readily accepted.

But one of the best arguments in favour of embarking on a human relations development program is the cost-saving factor:

"Management is and will continue to be concerned about the rising cost of labour. It is simply sound competitive management for business to seek out and develop ways to cut labour costs by fuller development of the workforce already employed."

He added: "Perhaps the most impressive argument, however, is that investment in human relations development provides a potentially high rate of return." 

In praise of participation

by Ed Finn

As interest grows in the concept of "industrial democracy" — however, that imprecise term may be defined — I receive more and more requests for recommended reading on the subject. Up till a few months ago, my suggestions, with the notable exception of Harold Wilson's ground-breaking *Democracy and the Workplace*, were confined mostly to European and American sources.

No longer. In its last August, September and October editions, *The Labour Gazette* published a total of 18 interrelated articles on "worker participation" and "decision-sharing." Taken together, they provide enough basic facts, interpretations, analyses, and comments on industrial democracy to serve as a sort of "beginner's course," and as ideal material for discussion.

The *Gazette* series is not comprehensive. It focuses mainly on West Germany's "Mitbestimmung" or co-determination, with a side glance or two at the Swedish brand of industrial democracy. But there is much in the German system — such as works councils and employee representation on boards of directors — that is common to those of other European nations. And certainly the broader social and philosophical questions raised by co-determination are the same as for any other kind of worker participation in other countries.

The resurgence of interest in industrial democracy in Canada was no doubt sparked by the release last year of the Labour Canada-sponsored study of co-

Ed Finn, information director for the Canadian Brotherhood of Railway, Transport and General Workers union, writes a regular column on labour for The Toronto Star.

determination by Charles J. Connaghan. His report — "Partnership or Marriage of Convenience" — has been widely read and discussed, particularly his proposals for applying some variation of the West German system in Canada.

Connaghan and most other authors in this collection of essays admit that the form industrial democracy takes in any country must flow from its intrinsic social, historical, political and economic traditions. What works in one culture may fail completely in an alien milieu.

The differences between the Canadian and West German labour relations settings are as deep as they are numerous. In Canada, labour legislation is divided among the federal and provincial governments, making the development of a country-wide system much more difficult than it is in West Germany, where federal policy prevails. Canada's labour movement is fragmented into hundreds of unions, whereas in West Germany each industry has only one union. This makes centralized planning and decision-making much easier.

Labour is a highly respected institution in West Germany, as in most other parts of Europe, is consulted by government in the formulation of economic policies, and accorded a position of equality with business. In Canada,

unions are still barely tolerated, are rarely consulted in high-level policy talks, and are denied full partnership status in running the economy.

Perhaps the most serious differences are in attitude rather than structure. Unions and employers in Canada are much more committed to the adversarial approach and much less receptive to a co-operative relationship than their West German counterparts. Union leaders here are suspicious of any proposals for "fraternizing with the enemy," and managers are reluctant to share their powers and prerogatives with their employees.

While recognizing these divergent factors, Connaghan nevertheless felt that some progress toward the goal of co-determination could be made in Canada. He recommended that the federal government set up some form of tripartite council to review the state of the economy, provide more complete and accurate data to the parties in collective bargaining, consult with them on proposed labour legislation, encourage the merger of unions to reduce them to one for each industry, establish institutes to improve the professionalism of union and company negotiators, and commission further study of the works council concept with a view to modifying it to fit the Canadian environment.

These proposals by Connaghan formed the takeoff point for many of the other authors in the *Gazette's* series. They should be viewed in tandem with a much less publicized — but equally impressive — report conducted by Paul Malles, also on the subject of co-

determination and also prepared for Labour Canada. In his article, Malles explores in greater detail the forms that co-determination might take in Canada. He begins with the premise that collective bargaining is itself a form of co-determination, but is more limited in Canada by the narrow scope of most contract negotiations, and by the denial to unions of legal equality with employers.

"A change in attitudes rather than radical institutional change is required," he declares. He feels that a system of statutory works councils in Canada could serve as a corollary to (not a substitute for) collective bargaining, and cites several possible advantages. Among them: to create greater uniformity in working conditions; to promote a consolidation of our splintered bargaining system; to resolve problems that arise during the term of an agreement; to help change the present hierarchical structure of Canadian industries to a more democratic one; to facilitate experiments in new work methods; and to offer better protection to employees who remain unorganized.

Malles concedes the barriers that would have to be overcome in creating works councils in Canada — especially the objections likely to be raised by both labour and management. But, like Connaghan, he is optimistic that, with Ottawa's encouragement, progress can be made in this direction.

The federal government has already responded in a positive way to the Connaghan and Malles reports. The 14-point plan for improving labour relations unveiled last fall by Labour Minister John Munro [LG, Oct. '76], and actively promoted since by his department, conforms closely to their proposals. This applies particularly to the idea of a multi-partite consultative forum, creation of a

The genuine labour radicals are those who...have enough confidence...to give co-determination a trial

collective bargaining information centre, promotion of more worker participation at the plant level, labour education and paid educational leave, formation of plant health and safety committees, and the encouragement of broader-based bargaining.

All these initiatives, to the extent that they are effective will help to break down both the structural and attitudinal obstacles that now stand in the way of a transition from the adversarial to the co-operative relationship between government, management and labour in Canada.

In the meantime, the *Gazette's* excellent anthology furnishes all the information required for informed debate. The 18 authors include representatives of labour, business, government, academe, and the press, based in several European countries and the United States, as well as Canada.

There is considerable repetition in their essays — unavoidable since they are tilling the same ground — but they come at the subject from so many angles and with such different views that the cumulative effect is complementary.

The essays can be divided into three categories: those that are chiefly expository, describing how the West German and Swedish systems operate; those that explore the feasibility of adapting such methods for Canadian use; and those that are frankly skeptical and critical, rejecting any chance of developing the co-determination concept in any form in Canada or the U.S.

The descriptive articles include those by Friedrich Furstenberg, Rudolf Vollmer, Roger Blanpain, Karl Elling, Willem Albeda and Olle Hammarstrom, as well as the two pieces reprinted from *Sweden Now*. In addition to Connaghan and Malles, Jean Pascal of Labour Canada, Donald Rumball of *The Financial Post*, and John Clarke of *The Vancouver Province* speculate on the prospects for co-determination in Canada.

Pascal's piece is a good explanation of Connaghan's report, underlining the crucial point that Mitbestimmung does not replace collective bargaining, but rather supplements it.

Pascal also emphasizes the paramount need for changes in attitude. "The problems of making co-determination work," she notes, "is that it depends for its effectiveness on the attitudes and abilities of understanding and compromise which the parties bring to the process, and it requires some displacement of the existing balance of power between management and unions."

If co-determination can be made to work, its advantages, says Pascal, are that the non-adversarial climate it engenders expands the employees' involvement in decision-making, greatly reduces conflict, and raises employee morale and productivity. But if it *can't* be made to work once established by law, she warns, "it may either wither into a non-productive use of management and employee time...or turn it into an additional arena of employer-employee tension."

The two journalists offer optimistic and pessimistic assessments. Rumball, the optimist, doesn't lightly dismiss the difficulties entailed in shaking loose from the adversary system. It's a system he thinks "has locked both sides into stereotyped thinking" and an

unwillingness to innovate. On the one hand, there's the businessmen's fear that unions given further power and a voice in management would be irresponsible. Union officials, on the other hand, see themselves being co-opted and turned into tools of management.

But Rumball is convinced these mental blocs can be replaced by "trust, co-operation and a sharing of information," so that both parties "recognize basic mutual objectives even if the lines are blurred by conflicts of interest." Lest he be considered hopelessly Utopian, he cites the example of Labbatt's Breweries where "single team bargaining" — unquestionably a form of co-determination — has been successfully implemented. He could also have mentioned the Supreme Aluminum Co. at Pickering, Ont., Carling-O'Keefe Breweries, and Kootenay Forest Products in British Columbia, all of which have introduced some form of co-management or worker participation in recent years. Rumball argues that these examples, while they may be relatively few as yet, prove that co-determination can work in Canada, given a desire on both sides to make it work.

Clarke acknowledges all the advantages of co-determination, but he sees virtually no prospect of applying the German model in Canada. Our economic, political and geographical diversities, he feels, are just too immense to be reconciled. Canadian business is not prepared to yield or share more authority with the unions, and Canadian governments remain unwilling to accord labour the respect and prestige it enjoys in Europe. Nor are the unions themselves receptive to the idea of abandoning the adversarial role to which they have become so accustomed. "Ultimately," Clarke concludes, "Canada's labour

relations problems will be resolved only through a home-grown system that reconciles the peculiar difficulties of the country."

The difference between the two journalists, basically, is that, while they both perceive the problems, Rumball thinks that the unacceptable levels of conflict flowing from the adversary system will dictate its displacement by co-determination, whereas Clarke thinks the present system is too deeply entrenched.

The most negative reaction to Connaghan's report, and to the whole concept of worker-management partnership, comes from the three union contributors, Canada's Gilbert Levine and R. Kent Rowley, and Thomas R. Donahue of the AFL-CIO. They reject co-determination as a trap devised by the enemies of workers to weaken unions, increase profits, and restrict the scope of collective bargaining.

Levine and Rowley both insist that "true" industrial democracy can exist only under a system of public ownership, in which workers own the means of production, and that it will come "from pressure below, in the workplace. Industrial democracy cannot be imposed by the boss." Levine claims that those who are beating the drums for industrial democracy "are not calling for workers' control. What they want is control of workers." He says there is virtually no support for the concept among Canada's union leaders.

If there is a gap in the *Gazette* series, it is the absence of a favourable view from a labour spokesman. With Levine and Rowley condemning co-determination as a dirty capitalist trick, and Donahue spurning it as unnecessary and unsuited to this continent, the inference is left that this reflects the unanimous

opinion of all Canadian workers. That is obviously not so, as the examples of Canadian experiments with industrial democracy clearly show.

I may be excused, therefore, if I offer a brief rejoinder to the Levine-Rowley-Donahue thesis on behalf of those unionists — still admittedly in the minority — who would be ready to give co-determination a trial.

The first point is that public ownership doesn't automatically create a more fertile ground for industrial democracy — as witness the continuing turmoil in the Post Office. Secondly, workers' control may be a commendable long-term objective, but is it any more likely to evolve from the adversary system than from co-determination? I would argue that co-determination offers a much better launching pad for the leap to workers' control than does the unending warfare we have endured the past 100 years. To the charge that co-determination props up and perpetuates capitalism and free enterprise, I would reply that this is even more true of the present adversary system of labour relations. Levine and Rowley are well aware that unions in North America are appendages of private enterprise, co-existing and adapting to it, not challenging it in any serious way. If that has been the situation for more than a century, why should it be any different in another hundred years of the adversarial approach?

Co-determination, however, changes the relationship between employers and workers in a manner that at least offers some prospect for a gradual transformation of the master-servant setup into one of some semblance of equality. If union leaders and members are as smart and as capable as the proponents of workers' control maintain — with the latent ability to take over

managerial functions and eventually ownership — they would surely be in a better position to achieve that goal once they actually got on the boards of directors, and won a share in managerial decision-making.

I have been called naive for expressing this opinion, but I think the really ingenuous trade unionists are those who reject all proposals for change except an instantaneous conversion from private enterprise to a worker-controlled paradise. They like to regard themselves as radicals, but in truth they are the real conservatives in the labour movement. On the pretext of wanting an impossible overnight revolution, they cling to a sterile and outmoded system that dooms Canadian workers to continued exploitation and subservience. The genuine labour radicals are those who are not afraid of change, and who have enough confidence in their own intelligence and integrity to give co-determination a trial without fear of being co-opted or corrupted.

Ironically, two of the most ardent champions of workers' control in Canada, Harold Wilson and Gerry Hunnius, take much less doctrinaire positions in their essays than the labour spokesmen do. Wilson agrees with Levine and Rowley that real industrial democracy must start from the grassroots, but he is not averse to the gradualist approach that co-determination in some form may provide. Hunnius expresses fear that labour would be very much the junior partner in any tripartite arrangement with business and government. But he does not dismiss the possibility that real progress in shop-floor democracy could emerge from a switch to co-determination in this country.

The voice of business has been relatively muted on this subject. Connaghan himself, of course, was

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democracy...***

formerly president of the Construction Labour Relations Association in B.C., and as such a prominent business spokesman. The only other Canadian business view in the *Gazette's* collection comes from Robert Bandeen, president of Canadian National, who takes a surprisingly enlightened stand. While not addressing himself specifically to the issue of co-determination, he speaks glowingly of industrial democracy, favours putting workers on boards of directors, and calls for the humanization and enrichment of the workplace. As the sole voice of Canadian business in the series, however, Bandeen cannot be considered as expounding the general management view, or even a majority position. There is little evidence that his enthusiasm for greater employee involvement in running the plant is shared by many of his colleagues.

Most other writers in the series who touch on management reaction to Connaghan's report portray that reaction as skeptical at best, hostile at worst, and just as determined to stick with the adversary system as are most labour leaders.

In sum, however, my impression of this series of essays as a whole is that they convey a hopeful — even an inspirational — message that anyone involved with Canada's labour relations system would be unwise to ignore. The message is that there is a better way to develop the productive and creative resources of working

people — a better way than the system of labour-management-government warfare that has troubled the Canadian economy for so long.

The Europeans have discovered that workers have more to contribute to the enterprise than their brawn. They have brains, too. By bringing them into the managerial side and involving them in the decision-making process, by treating them as partners instead of servants, their untapped abilities are harnessed, their humanity is reaffirmed.

It is the principle of co-determination that counts. Those writers who point to all the social and cultural differences between Canada and Europe have a valid argument against a trans-Atlantic transfer of the European model. But those differences do not preclude the establishment of a Canadianized form of co-determination, tailored to our specific needs.

The Europeans basically have only one attribute that most of us lack. That is maturity. Out of their longer history and experience has emerged a willingness to extend the benefits (and the responsibilities) of democracy beyond the political into the economic arena. That is essentially what co-determination, and all other kinds of industrial democracy, are all about: the emancipation of workers from an authoritarian work system, and their enfranchisement as equals in the production process.

It is surely not beyond the ingenuity of Canadians to devise a labour relations structure that accomplishes that objective. All that we lack is the maturity to recognize that this is an idea whose time has at last come for Canada — and the will to make it a reality. [g]

Canada cannot import German-style co-determination

by Ghislain Dufour

"It must be realized that as a result of the increased powers invested in unions by the new Co-determination Act, companies, society in general and, in the final analysis, the government itself, have come under the domination of the trade union movement."

This observation, made by the Confederation of German Employers Associations after the new Co-determination Act took effect in West Germany last July 1, sums up rather accurately the feelings with which German employers in general greeted this legislation.

The basic reasons for the German employers' opposition to co-determination can be attributed to their rejection of the unions' arguments regarding the benefits that accrue to both workers and the economy in general from co-determination, and their belief in certain principles that the trade union movement generally does not embrace.

The arguments advanced by the unions in support of co-determination can generally be summarized as follows: the trade union movement advocates co-determination as a means of transforming the worker from an economic subject to a full economic citizen and of giving him the feeling that he is living not only in a political but also in an economic democracy. The unions further argue that co-determination is designed to do away with autocratic systems of management

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and to introduce into companies an element of industrial democracy, a necessary complement to political democracy; that co-determination is necessary to prevent the concentration of economic powers in the hands of management; that very large enterprises are no longer a purely private domain and that in any case, ownership alone is no longer enough to legitimize the power wielded by management; that co-determination alleviates uncertainties with respect to job security and promotes fairer wages and job classifications; and finally, that co-determination results in better informed staff within the enterprises, and consequently, enables the worker to identify more closely with the enterprise for which he works.

As impressive as this assessment by the German trade union movement may seem, employers are far from convinced. In fact, they have developed a cohesive set of counterclaims. In their opinion, it is impossible to manage a company efficiently by applying democratic principles. Important decisions cannot be a matter for compromise among groups representing opposing interests.

The employers also reject categorically the statement that co-determination is necessary to

prevent the concentration of economic powers in the hands of management. In a market economy, the activity of the market itself controls the distribution of economic power, and this automatic control is supplemented by various items of legislation. Consequently, it is pointless to introduce an additional control that would only hinder the efficient functioning of industry. Furthermore, even assuming that such a control were necessary, it would be up to the state, and not the unions, to exercise it in the interests of the population as a whole. The unions are not called upon to function as public institutions because that is not their role.

The employers have advanced a completely different argument to counter the unions' assertion that large industrial enterprises are no longer in the purely private domain and that ownership no longer suffices to legitimize the power wielded by management. In effect, they state that the repercussions of decisions taken by management are felt not only by the shareholders but also by the working class and the public in general. Two basic principles are at issue here. First, there is the right of ownership. There is nothing that more clearly distinguishes a free society from all others than the recognition of the right of ownership. It is unfortunate that attacks on private ownership are being renewed in the context of co-determination.

The second principle at issue is

that the number of shareholders does not alter the nature of their right of ownership. Each shareholder assumes a full financial risk. Furthermore, it is untrue that economic decisions are taken without regard for the interests of either salaried employees or the general public. Today, ownership entails an obligation to both the public and the workers. Companies accept these obligations, even without the benefit of any real protection. The risk is, and must remain, completely theirs. Their success still depends, as in the past, on the skill, initiative and energy displayed by management. These are the qualities on which the future success of the economy hinges.

The employers see co-determination as leading directly to an increase in the trade unions' control over not only individual companies but also the economy in general. Some very pointed questions have thus been raised regarding the role and the responsibilities of the trade union movement in a market economy, but the movement itself has been unable to provide any satisfactory answers. For example, does the new role created by co-determination not in fact destroy one of the very cornerstones of the free collective bargaining system, namely, a balance of power between organized labour and capital? Does it not lead to direct control of the economy by the unions without their having received a mandate to that effect from the public?

Moreover, the employers' arguments with respect to the workers' actual interests tend to be less academic and to be based on facts. Thus, the questions raised by the employers in this regard were simply these: In their daily work, do "ordinary" workers who enjoy certain powers under co-

Important decisions cannot be a matter for compromise among groups representing opposing interests

determination feel that they are treated more fairly than their counterparts in companies of the same size which are not subject to co-determination? Do companies with co-determination have a better work environment? In short, has co-determination caused the worker to become more fully integrated in the economy and society?

It was with these questions in mind that in the mid-sixties the EMNID Institute for Social Research undertook an opinion poll among 2,000 workers employed by companies with a staff of more than 2,000. Approximately half of those polled were covered by the special Co-determination Act of 1951 (applying only to the coal and steel

industries) while the other half were not.

The general results of this survey, conducted more than 10 years after the introduction of co-determination, supported the employers' contention that the integration of a worker in his company depends on a large number of personal, human, technical and economic factors and not on co-determination.

More specifically, these results were conclusive with respect to some of the most important aspects of the companies' operations. For example, with regard to information about the workplace, the organization of the company, production, fringe benefits and so on, the workers outside the jurisdiction of the Co-determination Act felt better informed than workers in the coal and steel industries.

On the question of job security, the same favourable reaction was expressed by employees who were not subject to co-determination (see Table I).

Table I

"Do you believe that if the company for which you work were to encounter economic difficulties, it would lay off part of its staff immediately, consider the matter very thoroughly before taking such action or make every possible effort to avoid lay-offs?"

	Companies operating under the normal system %	Coal and steel industries %
Institute immediate layoffs	11	28
Consider the matter thoroughly	23	20
Try to avoid layoffs	59	42
No reply	7	10
	100	100
Sample	947	1,045

One question also dealt with how the workers felt about their role within the company. Here again, the answers received painted an unfavourable picture in the case of companies operating under co-determination, as indicated in Table II.

When workers were asked whether they identified with the company for which they worked, the replies received again favoured companies not subject to co-determination. (Table III)

More importantly, this question was accompanied by a positive-negative profile. The workers were asked to answer a large number of questions regarding their company, and at the same time, to rank their company on a scale with two contradictory positions at opposite ends. Again, the results showed that workers who were not subject to co-determination consistently expressed a more favorable opinion of their company.

Finally, on the question of pay — a

key issue in the whole debate on co-determination — the results were most interesting. In the case of companies operating under the normal system, 79 per cent of the employees polled replied in the affirmative, either categorically or with reservations, when asked whether or not they were satisfied. In the case of companies operating under co-determination, the corresponding figure was only 57 per cent. The proportion of employees who stated that they were dissatisfied was 20 per cent in the first case and 41 per cent in the second! (Table IV)

It is not surprising, then, to find that German employers have given the July 1, 1976 Act a very lukewarm reception and to read about the negative reactions that it engendered.

Moreover, from a more general standpoint, it should be noted that the German legislators chose not to adopt the recommendations of the Biedenkopf Commission, which had stated in its analysis of co-determination in 1970 that it felt it undesirable to extend equality of representation to sectors other than the coal and steel industries, since the latter's experience did not necessarily represent an example to be emulated.

Could the West German form of co-determination, as instituted by the July 1976 Act, be imported into Canada, and more importantly, would it be acceptable to Canadian employers? In point of fact, there is no reason to believe that Canadian employers would not use the same arguments as German employers (and they are already doing so) in opposing the introduction of co-determination. There is no doubt that Canadian employers share the view of their German counterparts on all of the major principles we examined earlier: the right of ownership, the

Table II

	Companies operating under the normal system %	Coal and steel industries %
Very satisfied	32	21
Satisfied	57	51
Not very satisfied	5	12
Would prefer to work elsewhere	3	12
No reply	3	3
	100	100
Sample	947	1,045

Table III

"When the company for which you work is criticized, do you defend it, listen to its critics in silence, or endorse the criticism?"

	Companies operating under the normal system %	Coal and steel industries %
In that eventuality, I defend my company	56	32
I listen in silence	18	24
I endorse the criticism	15	30
No reply	10	15
	100	100
Sample	947	1,045

Table IV

Pay	Companies operating under the normal system %	Coal and steel industries %
Very satisfied	12	7
More satisfied than not	59	38
Neither satisfied nor dissatisfied	27	47
More dissatisfied than not	2	8
Very dissatisfied	0	0
	100	100
Sample	947	1,045

fundamental right to manage their companies efficiently, and the prevention of an excessive concentration of power in the hands of the trade union movement.

It is relevant to point out here that the Connaghan Report, which was commissioned by the federal Department of Labour, and which analyses the possibilities of applying the various forms of German co-determination within the Canadian context, in no way advocates co-determination as an appropriate management solution to any of the labour relations problems existing in Canada. [LG, Aug. '76] Moreover, aside from the similarity between the objections expressed by German and Canadian employers, it is interesting to note several other reasons that would militate against the introduction of the German formula into Canada:

1. In the field of labour-management relations, Canada belongs to the North American tradition of industrial democracy, the cornerstone of which continues to be collective bargaining. This type of democracy, based on bargaining power,

or an adversary system of labour-capital relations, leaves little room for equal representation in decision-making in the upper echelons of large enterprises; moreover, it is generally supported by the North American companies and major unions alike. In fact, the companies are not alone in their opposition to the concept of co-determination. We would have

The employers see co-determination as leading directly to an increase in the trade unions' control...over the economy

considerable difficulty finding any large Canadian union prepared to articulate a model of corporate management based on co-determination. Moreover, the Canadian Labour Congress itself concluded a few years ago that collective bargaining was the best formula for achieving industrial democracy.

Even more recently, in June 1976, this same Canadian Labour Congress, in formulating a model to provide for worker involvement in modern Canadian society,

suggested not radical changes to traditional corporate management techniques, but rather a redistribution of the power of the state among the labour movement, employers and the government. Furthermore, as Professor Gerry Hunnius of York University so aptly puts it, would the West German unions themselves have asked for the type of co-determination introduced into the coal and steel industries had it not been imposed on the country (companies and unions alike) by Great Britain and the United States shortly after the War? [LG, Aug. '76]

There is no question but that Canadian employers as a whole have faith in our North American system of labour-management relations. This being the case, they must agree with both of the following viewpoints:

A continuing effort must be made to ensure that company decisions will be made by the actual owners, that its legal capacity will remain intact, that the parties to collective agreements will remain independent of each other and that the diversity of social groups will not be endangered by an excessive concentration of power in the hands of the unions. (International Organization of Employers, "Participation by employees in the decision-making process," Strasbourg: Council of Europe, cited in Renschler, 1974).

It is not the role of trade unionists to participate in management. Their duty is to protect and defend the interests of their members. To this end, they must co-operate as closely as possible with employers. When the occasion so requires, however, the unions must tell the employers in no uncertain terms that a particular approach is not in the interests of their members. (Statement by the

President of the British Trade Union Congress, cited in Walker, "Workers' participation in management — problems, practice and prospects," ILLS Bulletin, 1975).

2. There is not only a basic difference between the philosophy underlying the Canadian system of labour relations, which attaches greater significance to the role of the local company and the local union, and that underlying the German system, where the collective bargaining power is centralized, but also a number of differences between the two countries which make it impossible to transplant formulas for co-determination from the one country to the other. Some of these differences are:

- union and management structures are highly centralized in Germany;
- there is no militant union activity at the factory level in Germany, as is the case in Canada;
- in Germany, the large unions are often entrepreneurs themselves, and the experience they acquire in this capacity may enable them to place much less emphasis on ideology in their approach to management problems than Canadian unions do;
- there are fundamental differences between the labour legislation of the two countries; in Germany in particular, various legislative provisions, beginning with the Works Constitution Act of 1952, have institutionalized the participation of workers in certain activities of their companies.

These are all factors which attest to the basic practical differences between the respective labour relations systems of the two countries, they lend full support to Charles J. Connaghan's warning to

...differences between the two countries...make it impossible to transplant formulas for co-determination

avoid succumbing to the temptation "[to transplant] the West German system in a wholesale manner to Canada."

3. Co-determination would arouse great resistance in Canada. As we mentioned earlier, when co-determination in its various forms was introduced in Germany in 1951 and 1952, it was not at the request of the unions; rather, co-determination was imposed under circumstances well known to all. Moreover, the 1976 Act is, in the final analysis, merely a follow-up to decisions taken 25 years ago.

Would it be possible today to impose this type of legislation on a country that has absolutely no precedents in this field? We think not, since the possible consequences of such an action would have too great an impact on the economy of the country that might choose to follow this course. Economic consequences aside, however, what are the social benefits to be derived from such a system? In an outburst of sarcasm, Roger Decosterd of Nestlé Alimentana International asked this question: "If participation is a 'state of mind,' what purpose would be served by asking the employer to cut the ground out from under his feet?" An institution, regardless of its nature, will never function properly under a system of participation which has been imposed on it.

Quebec has nevertheless experimented with such a system, applying it to the boards of directors of certain bodies. The

province has in fact passed two pieces of legislation which make it mandatory for the boards of directors of public institutions such as CEGEPs and health care institutions to include representatives elected or appointed by workers and various socio-economic groups. This idea was not without merit, and since it was aimed at public institutions, it can even be said that the objectives of encouraging people from the community to truly participate in the management of their affairs was a laudable one. However, the conditions were not right: participation was *imposed* and the results achieved did not measure up to expectations. Some boards of directors experienced periods of unprecedented difficulty. They became the battleground for epic struggles between groups representing the most divergent of interests. Some of the most dynamic and dedicated businessmen were alienated.

In point of fact, a recent research study on the CEGEPs, the Nadeau Report, drew attention to the inordinate amount of dissension generated by this new formula for the composition of boards of governors, and concluded that it would have to be reconsidered.

To reject the German form of co-determination does not necessarily imply however, that the Canadian system of labour relations is not without faults or that it is unnecessary to find formulas (developed by Canadians, if possible) that would be likely to improve its functioning. The Connaghan Report, moreover, does not reject all the mechanisms studied by the author in Germany and even admits the possibility of adapting some of them for use in Canada.

The federal minister of labour is himself actively seeking new

formulas, as indicated in the last Throne Speech as well as in his most recent statements. The country's major employer associations and union bodies frequently express their concerns in this regard. An increasing number of businessmen are also expressing their individual viewpoints on this question. Thus, the debate on possible changes to some of the features of our present system has begun in earnest.

However, it may safely be predicted that these changes will not alter the present system radically and that it will be possible to avoid at least three pitfalls, two of which were identified by the assistant secretary-general of the OECD during a seminar on worker involvement held at Versailles in June 1975. The first pitfall would be to regard participation as a labour relations technique capable of banishing, as if by the wave of a magic wand, all the tensions inherent in the very existence of different classifications and positions within a company.

The third pitfall would perhaps be to rely more on European than on American experience. It should be pointed out again that the principles underlying the entire Canadian system of labour relations are different from those underlying the systems of European countries, with the possible exception of Great Britain. Therefore, we must look more toward our neighbours to the south in seeking to spark changes in the behaviour and attitudes of Canadians.

As an illustration of this viewpoint, let us take the recent and ever-growing trend toward the acquisition of shares in a company by the workers, or the concept of the employee-shareholder. Under

certain proposals now being discussed in European countries, particularly Sweden, West Germany, Denmark and the Netherlands — proposals which were recently the subject of a report by the London correspondent for the *Financial Times of Canada*, Peter Calamai, and which appear to be gaining currency — each time new shares are issued, a fixed percentage would automatically be transferred to a fund controlled by the central labour body. It is not hard to imagine the possible impact of such a plan. In fact, according to most economists, by the year 2000, or in less

There is no reason...that we should not develop our own variation of the employee-shareholder plan that is being increasingly implemented in the U.S.

than 25 years, the central labour body would have effective control of the majority of large private companies.

Some would say that this plan would never be implemented. That may be so, and all the better! However, even if it were to become a reality, these same people would then say that the idea would never cross the ocean. May we simply remind such people that the idea of co-determination or self-management, which has long been in effect elsewhere, has now merrily crossed the ocean.

There is no reason, then, that we should not develop our own variation of the employee-shareholder plan that is being increasingly implemented in the United States, where it is known

as ESOP (Employee Stock Ownership Plan), even though there is very little discussion about it.

Under this plan, a company seeking financing for an investment establishes an ESOP. The latter borrows a certain amount of money, which it then uses to purchase a new issue of shares offered by the company. The loan is secured by these shares and endorsed by the company, which also undertakes to remit to the ESOP each year an amount sufficient to cover repayments on the loan. When the debt has been fully repaid, the shares are assigned to the individual accounts of the employees, for distribution upon their retirement.

This formula is not perfect and has its disadvantages. Does it not, however, have the advantage of being original and of pursuing a real objective, namely, giving workers a share in the profits of their company, without being in any way comparable to the extreme approach mentioned earlier?

In any event, we must re-examine certain features of our labour legislation. We must change some of the existing mechanisms in the field of labour-management relations or establish new ones. There is no reason why we should continue to look to the experiences of European countries when we probably have in our own backyard the nucleus of a solution which, if developed, would have the advantage of reflecting more accurately our own outlook as a nation. Our future in the complex and ever-changing field of labour relations will depend on our ability to avoid the three pitfalls described above. [9]

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An economic outlook for 1977

by Frederick Stapenhurst

1976 can hardly be called a good year for the Canadian economy. The recovery which started in mid-1975 was sustained, but only at a very modest rate, and failed to become broadly-based.

Unemployment rose steadily throughout the year, reaching a high of 7.6 per cent by year-end, and although the rate of inflation moderated, it still remained at an unacceptably high level.

Unless the government stimulates the economy early in the year, or President Carter stimulates the U.S. economy and the effects quickly spill over into Canada, 1977 is likely to be even worse. While growth could be moderate during the first half of the year, it is increasingly likely that the economy will lapse into another slowdown by late 1977 or early 1978. Unemployment is likely to continue to rise throughout the year, while inflation will probably decline only slightly.

The causes of this gloomy outlook are twofold: the recent pause in the U.S. recovery and associated slowdown in growth rates of most of the industrialized world, and the domestic uncertainties over the federal anti-inflation program and the recent Quebec election. The slower rates of expected growth in our major trading partners, the United States, Japan and Europe, mean that demand for our exports will not grow as fast as was originally hoped, while the anti-inflation program and uncertain political outlook for Quebec have caused a significant number of cancellations and postponements of business investment decisions, and a general dampening of consumer spending.

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In 1976, the Canadian economy grew by nearly 5 per cent below the growth rates of the U.S. and Japan (5.8 and 5.5 per cent respectively) but higher than France (3.5 per cent), Italy (1.5 per cent), and Britain (1.5 per cent). This normally would be considered a fairly good performance — but 1975 saw virtually no growth in the Canadian economy, and thus, last year's 5 per cent growth was recorded from a particularly low level. This point is well brought home when we observe that the unemployment rate rose to over 7.5 per cent in the fourth quarter — its highest level since 1939.

The only really bright side of last year's economy was the steady decline in the rate of inflation. The consumer price index rose by 7.5 per cent in 1976, compared with an 11 per cent increase in 1975, while the more broadly based GNP deflator increased by 9.5 per cent, against 10.5 per cent in 1975. However much the federal government might like to take the credit for this decline in the rate of inflation, it seems it was due primarily to international declines in inflation and declines in food prices — two areas outside the jurisdiction of AIB regulation. It may well be asked if the government's policy of fighting inflation is really what the country needs at this time — particularly given the high, and rising level of unemployment, and slack in the economy.

In 1977, real growth will be in the region of 3.5 to 4 per cent; during the first half of the year it could be at a 4 per cent rate, declining to 3 per cent or lower by year-end. Unemployment will peak at around 8.25 per cent in the fourth quarter, and average 8 per cent for the year as a whole, while the consumer price index will ease marginally to around 7 per cent.

Consumer spending accounts for nearly two thirds of total spending in the economy, and thus, is a major factor determining economic growth. Normally at the beginning of an economic upturn, consumer spending is an important impetus in the business cycle. Last year, this was certainly the case — it was almost solely the 7 per cent growth in consumer spending that accounted for the 5 per cent real growth in GNP. It seems unlikely that this early strength can be maintained. Surveys of consumer confidence and buying intentions reflect the major uncertainties most consumers feel regarding the economic outlook. Many consumers have seen their nominal wage settlements rolled back by the AIB, and although the inflation rate has also declined, they seem to be suffering from some sort of "money illusion" — their expectations for nominal wage increases have not been met, and although in *real* terms they have experienced an increase in living standards because the rate of inflation has moderated, they do not *perceive* this as so. This feeling may account for the fact that the savings rate in Canada (that proportion of income that is saved) is at an all-time high: wage earners do not feel they are

making real income gains and are saving a larger proportion of their wages to meet (expected) future economic adversity. This feeling of uncertainty is only compounded by the anti-inflation program and the recent Quebec election.

This year then, consumer spending is unlikely to grow by more than 4 per cent given disposable income gains of only 11 to 12 per cent — down sharply from the gains of 15 per cent in 1976 and 1975. It is possible, however, that should Finance Minister MacDonald provide personal income tax cuts in his May budget, or the provinces provide temporary rebates on sales tax, consumer spending, especially on "big ticket" consumer durables such as cars, refrigerators and washing machines, could be stronger than forecast, and thus provide the needed stimulus.

...it is increasingly likely that the economy will lapse into another slowdown by late 1977...

Business spending is the element which normally takes over from consumer spending to sustain economic growth in the latter periods of recovery. Businesses normally are able to increase their production during the early stages of a recovery without increasing their capacity, but as demand continues to rise, production levels reach capacity, and businesses have to invest to create more capacity in order to meet continually growing demand. It is in this area that the greatest weakness in our economy currently lies. Last year,

businesses were able to increase their production without increasing their capacity, and even now, considerable excess capacity remains — largely because demand has only risen sluggishly. Moreover, most businessmen do not see a sustained recovery and therefore are unwilling to invest in additional capacity. Add to these "economic criteria" the high degree of uncertainty regarding government policy, the adverse impact of the anti-inflation program on profits, and the continuing rapid growth in unit labour costs (forecast to rise 7.5 per cent this year, down only slightly from last year's 7.75 per cent), coupled with the poor outlook for productivity (this year expected to increase only 1.75 per cent, compared with 3 per cent last year), we can easily understand the reluctance to invest.

Conference Board forecast of key provincial economic indicators

The Conference Board in Canada has forecast a significant slowdown in the overall pace of economic activity in Canada in 1977. Growth in total output, measured in real terms, is expected to decline from 5 per cent in 1976 to only 3 per cent in 1977, assuming no steps are taken by government to stimulate the economy.

Specifically, the outlook for spending on capital goods, consumer goods and housing have all been revised downward from the previous forecast published last November, and this is reflected in the projections of total output in the manufacturing and construction industries in the coming year. Since these industries play a relatively greater role in the economies of Ontario and Quebec, the outlook for growth in these provinces is considerably less favourable than it was in the fall.

Also, following a very strong performance in 1976, agricultural output is expected to decline markedly

in 1977. As a result, Saskatchewan, which experienced the strongest growth in output among all provinces in 1976, is likely to turn in the weakest performance in 1977, with real output expected to show a slight decline for the year.

Alberta and British Columbia are expected to experience the strongest growth in 1977, with output in both provinces growing faster than the national average. Nevertheless output growth is still expected to be less than 5 per cent in both cases.

Both Ontario and Quebec are projected to expand at less than a 3 per cent rate in 1977, resulting in only modest employment gains and substantial increases in provincial unemployment rates.

The outlook for the Atlantic provinces is mixed. While Nova Scotia and New Brunswick should outperform the national economy, Prince Edward Island and Newfoundland are expected

to grow at a slightly slower pace than the 3.1 per cent projected growth in real domestic product for Canada. Real output growth in Manitoba is also expected to be slightly below the national average.

Highlights of the Conference Board's forecast of key economic indicators for each province:

Newfoundland: Among the goods-producing industries only forestry and manufacturing are likely to show improvements in 1977 with both industries turning around after declines in the previous two years. Both fishing and mining output increased at exceptionally strong rates in 1976, but this pace is not expected to be continued into the coming year. The unemployment rate is expected to climb to 14.3 per cent. Growth in retail sales should show a rate of increase in 1977 of almost 10.5 per cent.

Prince Edward Island: The service industry should show some strength

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after three consecutive weak years and construction should also be strong, in contrast to the outlook for the national economy. Output in both agriculture and fishing is expected to decline. The unemployment rate should increase only marginally in 1977 from its 1976 average rate of 10.2 per cent, while growth in retail sales is expected to decline to a rate of 9 per cent from 10.5 per cent in 1976.

Nova Scotia: Forestry and mining will support economic growth in the coming year as will the service industries. Agriculture, fishing and construction, on the other hand, are likely to be relatively weak. Employment growth is unlikely to match the increase in the labour force, implying continuing increases in the unemployment rate. The average rate in 1977 is expected to climb to 10.8 per cent. At 10 per cent, the rate of increase in retail sales should still be greater than the national average.

New Brunswick: Declines in output in the forestry, mining and construction industries in 1976 should be reversed in the coming year, with further support coming from the service industries. On the negative side, declines are expected in both agriculture and fishing. The unemployment rate remains high at more than 11 per cent. Retail sales growth in 1977 should be close to 10.5 per cent.

Quebec: The anticipated sluggish performance of Quebec's economy reflects downward revisions in the growth prospects for most industries, including forestry, mining, manufacturing, construction and services. The expected slow growth in output should result in modest employment gains of less than 1 per cent. Anticipated labour force growth of almost 2.5 per cent implies a jump in the unemployment rate from 8.7 per cent in 1976 to more than 10 per cent in 1977. In line with soft labour market

conditions, personal income flows are likely to moderate and retail sales are projected to grow at less than the national rate.

Ontario: Projected growth in the output of the mining, manufacturing and service-producing industries has been revised downward from the November outlook, and the expected declines in construction and agricultural activities now appear likely to be more severe than previously anticipated. Employment growth is expected to be less than 1 per cent, but with the labour force growing at only 1.75 per cent in Ontario, the increase in the unemployment rate is likely to be less dramatic than in Quebec. An unemployment rate of almost 7 per cent is anticipated for Ontario. Retail sales growth is likely to decline as personal income flows moderate and should be close to the 8.5 per cent rate expected at the national level.

Manitoba: The goods-producing industries are generally expected to support economic growth in Manitoba in 1977, with the exception of agriculture, which will likely be the weakest sector of the economy. Employment growth is likely to remain close to the expected 2.4 per cent growth in the labour force, despite the fact that total output growth will be sluggish. The unemployment rate is likely to remain less than 5 per cent for the year. Growth in retail sales should be down somewhat from 1976, and below the national average.

Saskatchewan: The increase in real domestic product in Saskatchewan in 1976 is estimated at just under 9 per cent, the highest rate recorded by any province. Growth in total output was led by strong performances in agriculture, mining and construction. A reversal in the growth patterns expected for these industries, combined with a decline in the rate of expansion of the service-producing

industries will result in a decline in total output in 1977 for Saskatchewan, and the weakest performance of all of the provinces. The unemployment rate should remain stable at the 1976 level of just more than 4 per cent. Substantially reduced personal income flows should lead to a significant cutback in the growth of retail sales from 12 per cent in 1976 to 4.5 per cent in 1977.

Alberta: The Alberta economy is expected to be the strongest in 1977 with growth in real domestic product in the range of 4.75 per cent. A decline in agricultural output will be offset by the end of the decline in resource production recorded in recent years, combined with continuing strong performances by manufacturing, construction and services. Employment growth should moderate from the 5.8 per cent increase recorded in 1976, but a similar decline in labour force growth should ensure that the unemployment rate in Alberta remains the lowest in the country at just under 4 per cent. Retail sales, are likely to continue increasing at a rate in excess of the national average.

British Columbia: Growth in real domestic product of just more than 4 per cent in 1977 will result in British Columbia turning in the second strongest performance among all Canadian provinces. Among the goods-producing industries, only construction and fishing are expected to be weak, while agriculture, mining and manufacturing will show moderate gains. Forestry will continue to perform strongly, although growth in output in this industry should decline substantially from the rate recorded in the previous year. Employment growth of 3 per cent should match gains in the size of the labour force resulting in an unemployment rate unchanged at about 8.5 per cent. Retail sales should continue their strong growth in 1977 at 11.75 per cent.

A recent survey of investment intentions indicates an encouraging 18 per cent increase over 1976; however, such surveys tend to have a large margin of error — usually on the optimistic

side. This is because they only cover large corporations, which tend to invest more than smaller firms; a far more likely figure is an 8 to 10 per cent increase, which, if deflated, comes to a mere 2 per

cent increase in real terms. Moreover, this modest increase in business investment is likely to continue into 1978, unless there is a fundamental shift in government economic policy.

The construction industry, which helped hold the economy up in 1975 and 1976, holds little promise for this year. An excess of finished housing units over sales has caused the rate of housing starts to decline in every quarter since the fourth quarter of 1975. This downward trend will not likely halt until mid-1977 at the earliest, and starts for the year will be in the region of 234,000 — a 12 per cent decline over last year's level of 266,000.

Given the decelerating growth rates of most of our trading partners, Canada's merchandise exports are likely to increase only 5 per cent in real terms, compared with 11 per cent in 1976. However, imports will grow less quickly than exports, reflecting the reduced economic activity in Canada and

...the savings rate in Canada is at an all-time high

consequent slacker imports of capital goods, and the higher price of imported commodities caused by the decline in the exchange rate of the Canadian dollar. Thus, the surplus should increase from about \$750 million to \$1.5 billion. However, the deficit on our services section of the balance of payments will increase because of the expected heavier deficit on tourism and dividend and interest payments abroad. Overall, the improved trade balance will just about be offset by the services deficit, and the total current account deficit for 1977 will likely

be of roughly the same magnitude as for 1976 — \$4 billion.

In many ways, the fact that 1977 is likely to be a bad year for the Canadian economy is not the underlying economic problem facing Canadians today. Rather, a number of disturbing symptoms of what might be called "the British disease" are becoming increasingly evident: uninterrupted growth in the government sector, which now accounts for more than 40 per cent of the gross national product; deterioration in labour-management relations; a deteriorating balance of payments situation, together with heavy dependence on foreign borrowings. If little or no progress is made on these fundamental problems, Canada will become yet another "sick economy of the Western World."

The Economic Council 13th annual review

The inflation dilemma

by Frederick Stapenhurst

The Economic Council's 13th Annual Review: *The Inflation Dilemma*, focuses on inflation's winners and losers. For each category of "economic agent" (households, firms and governments), the Council attempts to measure the gains and losses attributable to the effects of inflation on their expenditure, their incomes, and their net wealth. It is generally accepted that the individual will seek to protect himself against inflation by seeking income gains at least equal to the rise in living costs. The Council examines the extent

to which inflation modifies behaviour, anticipations, decision-making, and the relationship existing between economic and social partners.

The Council, in fact, draws up a balance sheet showing the consequences of the changes in

Canadians as a whole have been getting richer, despite inflation

expenditure, income and net wealth on households, firms and governments, and identifies certain cross-impact influences.

Canadians as a whole have been getting richer, despite inflation. Between 1969 and 1975, the average total income of all families rose to \$13,573 from \$5,779, an increase of about 135 per cent; in the same period, the cost of living increased by 72 per cent. In other words, Canadians were almost two thirds better off last year than a decade earlier. However, not all groups have gained to the same

Summary of Inflation-Induced Gains and Losses to Households, Business, and Government, 1969-75

Inflation losses by:	Inflation gains by:		
	Households	Business	Governments
Households	<p>Debtors gained from creditors.</p> <p>The proportion of multi-earner families in the labour force grew, and their income increased more than single-earner families.</p> <p>As a result, middle-age families did better than young or old families, even though young families, more heavily in debt, were helped by inflation on both their liabilities and income.</p> <p>Home owners did better than renters.</p>	<p>Households holding short- and long-term corporate bonds, stocks, and securities lost; firms issuing liabilities gained.</p> <p>Pensioners lost on the eroded value of their pensions; corporate borrowers from pension plans gained.</p> <p>Households with cash balances and demand deposits lost to banks.</p>	<p>Households lost through personal income taxes that were not fully indexed; federal and provincial governments gained.</p> <p>Households lost on their holdings of Canada Savings Bonds and other federal, provincial, and local debt. All levels of government gained.</p>
Business	<p>Corporate holders of long-term household debts, such as real estate mortgages, lost; mortgagors gained.</p>	<p>Financial sector gained from the manufacturing and nonmanufacturing sectors through its short-term liabilities and holdings of client demand deposits.</p> <p>Financial sector lost to other business sectors on its holdings of their long-term securities.</p> <p>Corporate borrowers gained from corporate contributors to private pension funds in the amounts roughly equal to their unfunded pension liabilities.</p>	<p>Business lost in corporate taxes because of the required use of historical cost accounting for capital cost allowances.</p> <p>Business also lost in corporate taxes because of the required method of accounting for inventory valuation.</p> <p>In both cases, the federal and provincial governments gained.</p> <p>Banks lost on their holdings of federal notes and reserves; the federal government gained.</p>
Governments	<p>Property owners gained and local governments lost because of lags in property assessment.</p> <p>Indexation of personal income taxes and transfers represented a gain to households and a loss to the federal and provincial governments.</p> <p>Households gained in real terms through enriched or new expenditures or extra tax relief introduced as a direct result of the extra inflation-induced federal and provincial revenues.</p>	<p>Corporate borrowers gained from tax allowances on their debt interest payments; federal and provincial governments lost.</p> <p>Corporate property holders gained and local governments lost through lags in property assessment.</p> <p>Corporations gained in the same way as households, from extra government expenditures and subsidies resulting directly from the higher inflation-induced tax revenues.</p>	<p>Federal government lost to the provinces borrowing from the Canada Pension Plan.</p> <p>Provincial governments benefited from enlarged shares of federal-provincial transfers directly attributable to extra inflation-induced revenues.</p> <p>Local governments benefited from similarly enlarged provincial transfers and federal expenditures.</p>

Source: Economic Council 13th Annual Review. Pages 148-9.

extent. "Our findings suggest that, in recent years, the poorest households have gained primarily through increased transfer income and occupational shifts, whereas higher income households have suffered because of a decline in

the real value of their investment income," the Council said.

"The losers tend to be those who have little or no access to alternative income sources, who have relatively fixed incomes or

normally fixed savings, such as pensions, and who have rising expenditure obligations."

The Council noted that "On the income side, demand-induced inflation results in substantial

improvement in the position of low-income working families and, in absolute terms, real income for virtually all groups within a labour force attachment." The trend toward families with both husband and wife working also increases family income.

The effect of inflation on pensioners and welfare recipients is offset to some extent by increases in transfer payments by governments. However, the income of pensioners was seriously eroded when that income was principally from fixed-income pensions — "because of the continual rise in prices, fixed-income pensions for those who retired in 1969 were worth in 1975 only two thirds of their initial buying power."

On the other hand, younger people have been ideally situated to gain from inflation. Their cash tends to be tied up in the one asset — housing — whose value has kept pace with inflation, while their liabilities have been in the form of personal debt, which declines as inflation increases. Furthermore, they are also in the best position to have more than one person in a household earning an income, and they have earned most of their income in wages — the income form that has most closely kept up with inflation.

The Economic Council goes on to speculate that the rich have "a much lower percentage of their assets...invested in housing, and a more substantial amount in such areas as securities and mortgages. In the absence of any adjustment in economic activity or any alteration of portfolios, the period of inflation would have worked to the disadvantage of high-income households." This group would have realized the lowest relative gains on income and the highest real capital losses on assets.

The Economic Council noted that


the trend toward income equality which was apparent between 1951 and 1965 was reversed between 1965 and 1971. The gap started narrowing again in 1973 and 1974, but widened in 1975. The Council was unable to find the cause of this fluctuation but hypothesized that it may mean that "Canadian society is, in fact, drifting away from the objective of equitable sharing of rising incomes."

"Canadian society is...drifting away from the objective of equitable sharing of rising incomes"

The Council also found that inflation altered the income and wealth positions of businesses. In combination with traditional methods for calculating depreciation allowances (based on historical cost, rather than replacement value) and the value of inventories (based on the first-in, first-out accounting approach) inflation has resulted in an overstatement of taxable incomes; in 1974, the Council found that "this *inflationary tax* caused losses in the order of \$90 million for the manufacturing sector and \$135 million for the other sectors." However, the business sector gained at the expense of households, to the extent that households held their securities, while corporate borrowers gained from the government in the form of extra government expenditures and subsidies resulting from the bigger government revenues. Furthermore, the financial sector gained from non-financial sectors through its short-term liabilities and holding of client demand deposits, but lost to the non-financial sector on its holdings of their long-term securities.

Perhaps not surprisingly, it is the federal government that is the principal beneficiary of high inflation. The Council noted that "the government has gained from inflation in three ways — through the progressivity of personal income taxes, through the taxation of corporate inventory profits and by the decline in real value of its debt costs." Indeed, in 1974 alone, the government collected an extra \$2.6 billion in corporate taxes entirely as a result of inflation. The same year it gained \$1.6 billion in the decline of its debt.

But to draw the conclusion that federal spending is the main cause of inflation "is perhaps to misplace the true perspective," the Council said. "A generation ago, government expenditures accounted for 25 per cent of all national spending, but by 1975, this had risen to 41 per cent." In other words, while gross national expenditure in 1975 was almost five times its 1955 level, federal spending was six times higher, local government ten times higher, and provincial spending nearly 20 times higher! However, those programs which fall under provincial jurisdiction, such as health care, education and income security, and account for most of the provincial governments' increase in spending, were launched under federal government initiatives.

How one considers these "windfall revenue transfers" to the government depends largely on one's perspective of the role of government. When these transfers take place, they may ease the requirements for governments to raise the same money from other sources, but "if one regards governments as autonomous bodies in competition with, or hostile to, private spending and saving decisions, one is likely to regard their inflation-induced gains with alarm." 

Implications of the "Day of Protest" ruling

by John Clarke

The British Columbia Labour Relations Board has set a precedent which could have far-reaching implications for the conduct of labour affairs in Canada. It rejected an application for an order prohibiting the participation of unions representing workers in the B.C. Hydro and Power Authority in the Canadian Labour Congress's October 14 general work stoppage against the federal government's anti-inflation program.

It put an end to speculation that British Columbia employers might sue their employees for breach of contract and damages for lost production. Its ruling was in direct conflict with one made by the Ontario Labour Relations Board, which said employees of Domglas Ltd. did not have the right to take part in the stoppage.

There are small but significant differences in the labour laws of the two provinces. But regardless of those differences, the B.C. board thinks it would have been wrong to "distort the general law" governing labour relations to deal with what was essentially a political protest.

In that broader sense, the B.C. decision may ultimately have more influence on the future of labour relations generally than the Ontario ruling.

The Canadian Labour Congress's Day of Protest last October 14 has slipped into history and whether it

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was a "day of infamy," as Canadian employers called it, or the "Glorious 14th," as labour no doubt would like to remember it, will have to be left to the historians to decide. If it was genuinely meant to force the government to end its wage and price guidelines, it was a dismal failure. If the guidelines are repealed it will be for more compelling economic reasons than the loss suffered in that one-day work stoppage, which at the very outside affected no more than a million of Canada's 10 million or so workers.

Whatever the protest proved politically, it made one thing very clear, at least in British Columbia and three other provinces. It was not illegal.

The British Columbia Labour Relations Board ruled the Day of Protest was *not* a strike under the definition in the B.C. Labour Code, a definition repeated precisely in the Alberta, Manitoba and indeed the Nova Scotia labour legislation. Furthermore, the B.C. board said the CLC unions were acting on a fundamental right — political protest — which no government or quasi-government board could or should interfere with. If such a body interfered with the exercise of such a basic right, its usefulness in the mediation of

labour disputes or in the supervision of the entire labour-management relationship would be at an end.

The implications of the decision, which is at variance with an Ontario Labour Relations Board ruling, are enormous. The board says, in effect, that labour law *per se*, cannot be used to prevent or end political protests.

The definition of "strike" is very explicit in the B.C. Labour Code. It is virtually the same definition that appeared in earlier B.C. law, before the New Democratic Party enacted the Code in 1973. It says a strike means "a cessation of work, or a refusal to work, or a refusal to continue to work, or an act or omission that is intended to, or does, restrict or limit production or services, by employees in combination, or in concert, or in accordance with a common understanding, for the purpose of compelling their employer to agree to terms or conditions of employment, or of compelling another employer to agree to terms or conditions of employment of his employees, and 'to strike' has a similar meaning."

In the opinion of the B.C. board, the CLC unions did not intend their protest stoppage to force employers to accept certain terms or conditions of employment. The objective was to influence the federal government to change its anti-inflation program. The stoppage had a political rather than a collective bargaining purpose.

The Canada (federal) Labour Code, Ontario, Quebec and several other provincial labour acts define a strike as concerted action by workers "designed to restrict or limit output." That may or may not have anything to do with compelling employers to agree to certain terms and conditions of employment, as required by the B.C. Code. It was that simple difference that allowed the Ontario board to declare the October 14 protest, illegal. The purpose rather than the result is the essential ingredient in the B.C. definition.

The basic problem with the definition in the Canada Labour Code and the legislation of those other provinces, says the B.C. board, is that it's too broad. It makes not only the Day of Protest illegal. It outlaws many other kinds of union action, which would not be considered a strike in the normal sense and for which there may be some "justification" in a labour relations environment. It would, for instance, catch workers who refuse to cross a picket line or who refuse to handle "hot" goods, or who refuse to work alongside non-union employees or workers not affiliated with their own organization. It would also cover employees who refuse to work overtime in order to prevent layoffs or to preserve broader work opportunities.

The B.C. board says there has to be a more flexible way of dealing with the varieties of job action by workers than is afforded by the broader definition in the Canada Labour Code and elsewhere. It says: "Jurisdictions such as Ontario, with purely objective definitions of 'strike,' have had to place a variety of artificial limits on the scope of their definitions to enable them to deal sensibly with this variety of peripheral kinds of work stoppages. The B.C. Code provides a simple and coherent

The British Columbia Labour Relations Board ruled the Day of Protest was not a strike

dividing line within the larger framework of the Code."

A strike during the term of a collective agreement between an employer and a union is still expressly forbidden in B.C. In other words, a work stoppage can't be used, while an agreement is in effect, to change the conditions under that agreement. But other work stoppages, such as the honoring of picket lines, refusal to work overtime and so on, are permitted in B.C. under certain circumstances because, the Code infers, they may be justified. In those cases, the Code hopes that flexible mediation will resolve the problems, but under the broader "objective" definition in the federal, Ontario and other provincial acts all those "justified" stoppages, as well as a political Day of Protest, would be prohibited.

The historic purpose in tying unions and employers to binding contracts is to provide both with reasonable stability and to provide a secure base for industrial activity generally. It has also been historically true that few contracts have ever been able to cover all of the possible eventualities during the periods for which they're written. The kind of flexibility provided for in the B.C. Labour Code was not always available, but it had to be concocted on the fly, so to speak, in a search for solutions that both sides could live with — without resort to the court, for instance. In the B.C. Labour Code, the "strike" definition is precisely limited as to purpose so that the flexibility elsewhere afforded to deal with a

variety of problems will not be impaired. The October 14 protest did not fit that definition.

On the question of constitutional, fundamental rights, the B.C. board's ruling is quite blunt. It says: "The Day of Protest was an exercise in political free speech and association — the communication of a common, felt grievance to their elected federal government. There is some respected judicial authority, including certain decisions by the Supreme Court of Canada, to the effect that the exercise of political rights cannot constitutionally be prohibited by provincial legislation.... There is also high judicial authority that such activity should not be characterized as political free speech at all.... But in cases of constitutional doubt, the Supreme Court of Canada has suggested that general provincial legislation should be construed as not intended to intervene in such a delicate area of fundamental civil liberties and federal-provincial relations."

Whatever the constitutional niceties of the situation, however, the board believes that the use of labour law to interfere with fundamental rights would be bad policy. It says: "No one knows whether (the Day of Protest) will be repeated in the foreseeable future. At this stage, surely the wisest course is *not* to distort the general law of strikes under the (B.C.) Code to deal with what may turn out to be a once-and-for-all event. If, on the other hand, 'political strikes' were to become habit-forming, then unquestionably, Canadian legislatures, including the B.C. Legislature, would find it necessary to deal with the problems presented by this kind of trade union action and the constitutional questions would then have to be answered. When the problem is faced directly in that situation, we believe that the

legislature would recognize that it is not essentially a matter for collective bargaining law which is the concern of the Labour Code."

The board did rule that picketing associated with the October 14 demonstration would be illegal because, under the B.C. Code, such activity could only be undertaken as part of a legal strike. Since the work stoppage in B.C. was not a strike, picketing could not be allowed to enhance its effectiveness. In the board's opinion, it may be legal enough for workers, even acting in concert, to indulge in a political demonstration. But it would not be legal for those workers to try to force others to take part in the same demonstration.

In fact a number of workers did put up picket lines at B.C. Hydro Transit depots and held up public transportation in Vancouver for a short time. However, the board issued a cease-and-desist order by mid-morning that was promptly complied with.

The transit workers, represented by the Amalgamated Transit Union, had earlier voted to remain on the job in spite of the CLC's call for a total work stoppage. The pickets intended to thwart that decision and did prevent the buses running during the morning rush hour. They thus accomplished their purpose — to emphasize their power to bring a large city to a standstill. By the time the cease-and-desist order had been issued, the point had already been made and the pickets could not have cared less. It's unlikely any further legal action will be taken against them.

The broader ruling which saw nothing illegal in the stoppage itself, however, raises some fundamental issues not only on the constitutionality of democratic protest but also on the role of the

trade union movement in exercising the rights referred to by the board. The obvious care with which it was written gives sharper point to the inherent questions.

Does it, for instance, give trade unions the right to demonstrate, in a directed, organized, "concerted" way, in pursuit of any political objective? Does it give the longshoremen's unions the legal authority to refuse to handle imported South African goods if their purpose is to express their abhorrence of the political system in South Africa? Would unions operating in Canada's basic resource industries, such as forestry and mining, expect to be free to organize work stoppages against certain industry practices which the unions felt were damaging to the environment? Would it be legal for trade unions to launch a general strike against labour legislation which they considered to be against their interests?

What makes a political protest by a labour organization different from an ordinary public demonstration is that it can be directed at a particular pressure point. The ultimate target of the CLC Day of Protest may have been the federal government's wage and price guidelines. But the immediate victim was industry, both private and public. The purpose was to make industry suffer enough through loss of production to put pressure on the government to remove the guidelines. In effect, the B.C. labour board's ruling says that it's all right for industry to suffer those losses because the unions weren't doing anything illegal.

The board says that if there are any more such stoppages by the CLC, governments will have to find a way, other than through labour legislation, to deal with them. But if the unions on October 14 were

exercising their ordinary constitutional right to demonstrate like any other citizens, as the board says, how can any government abrogate that right for the unions without also taking it away from the ordinary citizens? And if it were taken away from the citizens, how much democracy would be left in this country? And yet, if unions as well as ordinary citizens are to continue to have the freedom to demonstrate politically, the unions could create havoc in the economy and do so at will.

The basic question is: are trade union members ordinary citizens when they're acting in conformance with plans to disrupt the country? Would they have been acting out their basic democratic right if every worker in the country had taken part in the stoppage and the stoppage had been maintained until the government withdrew the guidelines? Wouldn't that have been close enough to outright rebellion to have required a firm response from the government being threatened? Wouldn't the rule of law have been undermined, if not destroyed, if the Day of Protest had actually worked?

These questions are just as heavy for the CLC and its affiliated unions across the country as for anybody else. There was some evidence that the CLC was reluctant to launch the protest and did so only because of pressure from the lower ranks to do something about the guidelines. The B.C. labour board's decision may make it far more difficult in future for the CLC to control the more militant and revolutionary zealots in the ranks. In the end, the trade union movement is no more secure than the ordinary citizen in a country where the structure of government can so easily be threatened as Canada's was on October 14. [19]

Much remains to be gained by labour

by Ben Malkin

However much labour has accomplished through collective bargaining and through pressure for reform legislation, much remains to be done. Important issues such as health in the work place, pensions, non-discrimination, job security — especially in relation to technological change — and new concepts of management rights remain unresolved.

These are the conclusions drawn from a background study prepared for the Economic Council of Canada by Paul Malles. Malles was on the staff of the council when he wrote the paper, entitled *Canadian Labour Standards in Law, Agreement, and Practice*. He is now a private consultant in Ottawa.

Reduced to its simplest terms, Canadian labour history has witnessed a gradual improvement through collective bargaining for the unionized minority, and provincial and federal laws and standards for the non-unionized majority. With energies focused in the first instance on the right to organize at all, on union security (as expressed in the closed shop, the union shop, and the dues checkoff), and above all on wages and hours of work, not enough has yet been achieved in other fields. Implicit in Malles' paper is the exhortation both for unions and for governments to get cracking on them.

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Take health. Malles finds: "It is in the area of occupational health where increasing concern has to be felt. Safety laws and regulations of one kind or another referring to specific industries and occupations have, of course, existed for a long time, involving all three levels of government. In recent years they have begun to widen from purely accident prevention to encompassing more complete health protection. New regulations have been added in the recent Federal Labour Code and to the regulations of the various provinces dealing with such matters as radiation dangers, air and noise pollution, etc."

But these don't necessarily work in practice. Malles points out that "though certain disabilities caused by industrial diseases have become cause for compensation, there is growing evidence that a high proportion of occupational diseases are not recognized or reported, especially as workers themselves appear reluctant to report them out of fear of losing their jobs. There is also a growing recognition that, because some occupational diseases are not apparent before a considerable passage of time and may not be

traceable to a specific job, they are not compensation cases. Moreover, while it has long been obvious that certain occupations, such as mining, expose workers to recognized health hazards, it is only more recently that attention has been drawn to the dangers inherent in broad areas of manufacturing."

Malles urges more research through federally-sponsored programs, leading to greater uniformity among the provinces, and that "workers themselves become more directly involved in occupational diseases prevention and control." He cites, as a model, the 1972 Saskatchewan Health and Safety Protection Act, which sets up an advisory council on health and safety with representation from agriculture, management, and organized labour, "as well as obligatory health and safety committees in all establishments which employ 10 or more persons."

Another gulf between theory and practice, still to be bridged, is found in the equal pay for equal work doctrine, with women the main victims. Both the unions, in their collective agreements, and governments, in their enforcement of existing law, are challenged to remove the inequity.

"Whereas equal pay for equal work appears in principle as a relatively

straightforward and simple proposition, it is notoriously difficult to define and achieve in practice.

"Pay usually is related to job classification and thus applied regardless of the individual holding the job; in other words, allegedly regardless of whether the holder is a man or a woman. If discrimination enters, it is most likely in job assignments rather than pay as such. But even so, equal pay clauses in contracts may be hedged, e.g., by stating that to obtain the same basic wage rates, a female employee has to produce equal results in quality and quantity as the average male employee, or that, if female employees are assigned to jobs previously performed by males, they shall be paid the same rate unless the job is changed."

As for equality of opportunity — that is, a higher classification, or promotion — "advance is slow if it exists at all."

To adapt the classic phrase coined by George Orwell in *Animal Farm*, all workers are equal, but some are more equal than others, with job classification the tool used to maintain an unbalanced concept of equality. And not only job classification for women. Job classification resulting from technological change, with workers being classified at a lower level and, therefore, lower pay, is another problem still unresolved.

However, there is progress, achieved through retraining programs. Malles writes: "Technological change seems no longer regarded as a major contributor to unemployment in the primary and secondary manufacturing industries, so that the interest has shifted more to the area of job classifications and wage differentials, away from the employment issue as such....

It is in the area of occupational health where increasing concern has to be felt

"The question of training and retraining is related to the issue of technological change, though by no means exclusively. As a contract subject, training and retraining in the case of technological change undoubtedly plays a larger role in some industries than in others. Corresponding clauses usually refer to a consultation process between union and management." (Malles doesn't mention it, but the current Post Office dispute indicates that the consultation process doesn't always work smoothly). "The overall coverage figure stands at about 28 per cent, but is higher than that in the auto industry (57 per cent), steel (56 per cent), mining (51 per cent), utilities (50 per cent) and the electrical industry (41 per cent)."

Despite the progress made, it's clear that "training and retraining as well as education in general are very much the concern of the large industrial unions with their preponderant membership of semi- and unskilled workers. It is also not surprising that the question of training and retraining, just as the whole area of technological change, appears as a contract issue to a higher degree in the larger, rather than the smaller, bargaining units."

As with health, discrimination, and technological change, pensions constitute another area requiring reform. With attention broadening from such issues as wages and union security to wider fields, there is hope for improvement here, too.

"It is most likely," Malles says, "that the relatively late introduction of the Canada and Quebec Pension Plans...explains the still large coverage of the labour force by private pension plans.

"If experience in other industrialized countries with universal pension plans is any guide, it is unlikely that their frequency as a fringe benefit will decline, especially as such private plans were also introduced unilaterally as one of the means by which employers try to reduce labour turnover and secure a stable and experienced workforce.

"In fact one of the criticisms which has been directed against many of the private pension plans is precisely that, in the absence of portability and in view of the limitations placed on vesting, they may constitute an impediment to labour mobility....

Malles urges more research through federally-sponsored programs

"As the unions see it, the main drawback of many private pension plans causes substantial losses in pension benefits in connection with job changes, mergers, and plant closings. The unions argue that the employer contribution constitutes part of the negotiated 'cost package' and, therefore, constitutes 'a delayed wage' which then is denied to the potential beneficiary.

"In a number of jurisdictions, moves have been made or are on the way to meet this criticism by requiring pension plans to be fully funded, locking employer-employee contributions into the

plan until retirement age and making allowance for portability from job to job."

There is little doubt that, once this is accomplished, a major reform in the important area of pensions will have been achieved. In an economy that changes as rapidly as Canada's, with so great a variety of employment conditions in this country's sprawling regions, labour mobility is an important weapon against unemployment.

Labour-management co-operation is a further area that remains to be fully explored and improved. Malles notes that "collective bargaining in Canada has as yet shown no discernible interest in such issues as: institutionalized communications between labour and management; financial and other economic information to the workforce; or participation in managerial decision-making through plant level representation bodies as an integral part of the enterprise structure — in other words, the issue of 'industrial democracy', which in recent years has played a prominent role in European industrial relations law."

Malles admits that "advisory or consultative bodies for communication between labour and management have been in existence in Canada for many years and came mainly into existence during and immediately after the Second World War." But they are largely moribund, and "their effectiveness has long been criticized by unions and management alike. One of their main weaknesses appears to have been the lack of direct union involvement or interest..."

Canadian labour, as represented by the Canadian Labour Congress, has been ambivalent on the issue. Some years ago it surveyed the European experience, and in 1972, in its "Statement on Industrial Democracy," it described as legitimate the demands to participate in the decision-making process which determines wages, working conditions, job security and income security, as well as in determining how jobs should be done.

But the CLC also cautioned against "any assessment of

As with health, discrimination, and technological change, pensions constitute another area requiring reform

experiments in industrial democracy which do not take into consideration the differences between conditions in Canada and the countries concerned. While not rejecting them out of hand, Canadian labour should be wary about solutions that have been worked out under conditions which are frequently very different from our own."

Malles cogently points out that while the CLC trusts the Canadian system of collective bargaining more than any other of the solutions found in other countries,

"this reflects an attitude which not long ago was also prevalent among trade unions in a number of other industrialized countries of the West."

It is worth noting, in passing, that France, despite one of the most militant labour movements in the West, is now moving toward industrial democracy.

Finally, Malles in his study argues for broader unionization of the unorganized, especially the professionals. While there has been rapid unionization in recent years among such public service professionals as teachers and paramedical workers, many professionals remain unorganized.

The self-employed compensate by forming associations and seeking job and income security by restricting their membership. Those employed are often denied the benefits of collective bargaining; that applies to many accountants, engineers, architects and the like. Malles thinks that "generally speaking, Canadian labour laws, though designed to apply in the main to the blue-collar labour force, can accommodate the large mass of white-collar workers. Where the problem arises and needs further attention is the area of specific requirements of the professional group, particularly in view of its rapid growth as an important component of the Canadian labour force."

Along with the issue of industrial democracy, here also is fresh ground for unions, management and governments to cultivate. [9]

Cyclical and long-run variations in professional and public service incomes in Canada, 1950-1974

by D.A.L. Auld and E.K. Grant

The many forces that have impinged on the structure of Canadian wage and salary levels during the postwar period have resulted in changes both in absolute and relative money and real incomes. Short term fluctuations in unemployment and price are likely to affect wages and salaries in different occupations in a variety of ways. Some groups, for example, are unable to protect themselves against inflation in the short run due to the fee structure they employ or government restrictions on fee settings. Others fail to predict the rate of inflation. The construction cycle is likely to have a significant impact on professional groups such as lawyers, engineers and architects, while dentists' and doctors' incomes are insensitive to such economic forces. Public servants, especially at the federal level, may well shoulder part of the burden of the government's anti-inflation program during a period of rising prices. Long-term trends in labour organization, productivity and other factors will have a more permanent secular impact on money and real incomes, thereby affecting relative incomes (by occupation) in the country.

Most empirical studies of the variations in real incomes have concentrated on the manufacturing sector, using average hourly earnings as the basis for analysis. Although useful for the objectives

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they seek to achieve, such studies do not go very far in providing information on the relative income position of various professional occupations, for example doctors, lawyers and institutional groups such as public servants. In periods of inflation, especially, such information would appear to be critical since we are continually being told by one group or another that they are falling behind all other occupational groups in terms of real income.

The following analysis is an attempt to provide on a broad basis some preliminary information on real occupational income differentials. To ensure consistency in the data, we decided to concentrate on those professions and groups that are reported in the taxation statistics of the Department of Revenue. This allows us to

Engineers, architects, lawyers and notaries have experienced the most volatile year to year changes in real income

examine six professional occupational classifications and three classifications of public servants (by jurisdiction). Our objectives are fairly straight forward: to describe relative shifts in real income positions of the groups chosen between 1950 and 1974 and to note the sensitivity of short term fluctuations in real incomes. The taxation data groups chosen were: doctors and surgeons, lawyers and notaries, engineers and architects, dentists, accountants, teachers and professors, federal, provincial and municipal civil servants.

The data reported by the Department of Revenue are in terms of before-tax annual income and thus represent not only payments for factor services performed in conjunction with the occupation but income from other sources as well. However, because we are using the average of a large random sample in a professional classification, we minimize the possibility of biasing the sample with a large number of persons whose income is derived from sources outside their professional services. We must point out that the public service group is not an occupational group since any jurisdictional collection of public servants is a very heterogeneous mix of occupations ranging from file clerk to doctor, all in the employ of a government. We chose to include this group largely because of the very substantial

TABLE 1

Annual percentage change in real income by occupational industrial group

Year	Doctors Surgeons	Lawyers Notaries	Engineers Architects	Dentists	Account- ants	Teachers Professors	Public Service (Fed.)	Public Service (Prov.)	Public Service (Local)	Manufac- turing Sector
1950										
1	-8.6	-4.1	-20.4	-8.2		-2.8	0.2	-2.7	-1.4	1.1
2	2.9	-11.9	+24.3	+10.4	-4.2	4.0	2.6	3.5	3.7	7.3
3	7.9	8.9	-15.4	6.4	1.8	5.4	1.6	4.4	3.2	4.8
4	4.7	19.1	+16.5	4.8	6.5	2.8	6.0	0.7	2.8	1.0
1955	2.1	2.4	+15.9	8.1	7.1	3.8	0.7	3.6	1.5	3.7
6	5.7	1.6	-4.1	6.3	5.2	1.4	2.9	2.5	2.1	3.4
7	3.6	1.7	3.6	7.4	6.0	2.5	3.2	2.2	1.2	1.3
8	6.3	-0.2	-4.6	1.5	-4.6	4.4	3.6	2.0	3.3	0.0
9	1.9	3.4	3.9	7.6	2.7	2.2	0.7	1.5	3.7	3.8
1960	2.3	2.0	3.4	4.2	2.4	7.4	4.0	3.2	2.5	1.8
1	3.0	+6.3	-7.2	-0.2	0.2	1.7	5.1	3.0	0.8	2.6
2	5.4	-3.3	-2.2	10.0	-4.8	0.4	0.2	3.7	2.6	1.6
3	5.2	4.1	1.2	-2.0	-3.4	3.5	6.3	1.3	1.5	2.5
4	8.5	4.3	10.1	7.1	16.3	2.2	-0.5	1.4	1.6	2.8
1965	5.5	8.3	11.9	2.7	0.8	3.5	2.4	4.3	1.7	3.0
6	3.6	4.7	5.7	5.6	-0.1	2.5	5.8	1.7	0.8	2.2
7	5.6	1.0	0.0	2.5	+0.2	5.2	0.4	2.5	3.6	1.9
8	2.4	2.9	-1.5	5.9	12.4	4.6	6.0	5.1	3.0	3.2
9	6.0	5.0	-4.5	3.4	1.6	4.4	7.8	3.0	3.3	2.5
1970	6.1	2.0	-2.2	3.3	5.6	9.1	6.3	7.8	6.5	4.1
1	11.2	1.8	-5.5	10.7	-5.8	7.2	4.0	6.0	5.9	6.4
2	-0.1	5.3	+12.8	5.3	4.2	4.0	2.8	4.4	4.5	4.3
3	-2.6	12.3	+24.4	3.2	25.2	4.6	2.5	3.7	2.7	1.1
4	-5.6	5.6	-8.6	3.1	2.9	3.6	2.7	4.0	4.2	0.8
Average Annual Change	3.5	3.5	2.4	4.5	3.4	3.6	3.2	3.0	2.7	2.8

Source: Dept. of Revenue: *Taxation Statistics*; Statistics Canada, *Canadian Statistical Review*.

rise in public expenditure over this period and the resulting influence on the economy of wages and salaries in the public sector.

To obtain the average real income and annual percentage change, money incomes for each professional group were deflated by a consumer price index with 1950=100. As a benchmark for comparative purposes, the annual change in real wage income in manufacturing was also estimated

— by multiplying average hours worked per employee in manufacturing by the average wage in manufacturing on an annual basis. These percentage changes are recorded in Table 1. The first noticeable feature is the variance in annual percentage change across these occupational groups. Engineers, architects, lawyers and notaries have experienced the most volatile year to year changes in real income. Accountants are next, followed by doctors and

dentists. In the least volatile group are the public servants, teachers and professors and employees in manufacturing. Although the manufacturing sector is somewhat sensitive to the business cycle, a decline in employment is not likely to result in a fall in real income, only a slowdown in its rate of growth as average hours worked decline slightly. Since there are sufficient labour groups in the manufacturing sector on short contracts, employees here are able

TABLE 2

Average real income of occupation/industrial group in the column divided by same in row: selected years.

		Doctors Surgeons	Lawyers Notaries	Engineers Architects	Dentists	Account- ants	Teachers Professors	Public Service (Fed.)	Public Service (Prov.)	Public Service (Local)	Manufac- turing
DOCTORS/ SURGEONS	1950	1.00	.98	1.10	.62	*	.27	.26	.27	.26	.22
	1964	1.00	.80	.78	.69	.61	.24	.23	.22	.21	.20
	1974	1.00	.95	.76	.79	.68	.28	.24	.23	.23	.19
LAWYERS/ NOTARIES	1950	1.02	1.00	1.14	.64	*	.27	.28	.28	.27	.23
	1964	1.25	1.00	.97	.86	.75	.29	.28	.27	.28	.25
	1974	1.05	1.00	.79	.83	.71	.29	.25	.24	.24	.20
ENGINEERS ARCHITECTS	1950	.91	.87	1.00	.57	*	.24	.24	.25	.24	.21
	1964	1.28	1.03	1.00	.89	.77	.30	.29	.28	.27	.26
	1974	1.31	1.26	1.00	1.04	.90	.36	.32	.31	.30	.25
DENTISTS	1950	1.61	1.56	1.75	1.00	*	.43	.42	.44	.42	.37
	1964	1.45	1.16	1.12	1.00	.87	.34	.33	.32	.31	.29
	1974	1.26	1.20	.96	1.00	.86	.35	.31	.30	.29	.24
ACCOUNTANTS	1950	*	*	*	*	1.00	*	*	*	*	*
	1964	1.64	1.33	1.29	1.14	1.00	.39	.37	.36	.35	.33
	1974	1.47	1.41	1.11	1.16	1.00	.40	.36	.34	.33	.28
TEACHERS/ PROFESSORS	1950	3.70	3.70	4.17	2.32	*	1.00	.99	1.02	.98	.86
	1964	4.17	3.45	3.33	2.94	2.56	1.00	.96	.93	.91	.85
	1974	3.57	3.45	2.78	2.85	2.50	1.00	.88	.85	.82	.70
FEDERAL PUBLIC SERVANTS	1950	3.84	3.57	4.17	2.38	*	1.01	1.00	1.04	1.00	.87
	1964	4.34	3.57	3.45	3.00	2.70	1.04	1.00	.97	.95	.89
	1974	4.17	4.00	3.12	3.22	2.78	1.14	1.00	.96	.93	.79
PROVINCIAL PUBLIC SERVANTS	1950	3.70	3.57	4.00	2.27	*	.98	.96	1.00	.96	.88
	1964	4.54	3.70	3.57	3.12	2.77	1.07	1.06	1.00	.97	.93
	1974	4.34	4.16	3.22	3.33	2.95	1.18	1.08	1.00	.96	.82
LOCAL PUBLIC SERVANTS	1950	3.84	3.70	4.16	2.38	*	1.02	1.00	1.04	1.00	.84
	1964	4.76	3.57	3.70	3.22	2.86	1.09	1.05	1.06	1.00	.91
	1974	4.34	4.22	3.33	3.44	3.00	1.22	1.07	1.04	1.00	.85
MANUFACTURING	1950	4.54	4.34	4.76	2.70	*	1.16	1.15	1.13	1.19	1.00
	1964	5.00	4.00	3.84	3.44	3.03	1.18	1.12	1.07	1.09	1.00
	1974	5.26	5.00	4.00	4.17	3.51	1.42	1.26	1.22	1.18	1.00

to react to an increase in the rate of inflation more rapidly than others.

The second feature is the variance across groups in the average annual rate of income in real terms. Dentists head the list (4.5 per cent) followed by teachers and professors (3.6 per cent), lawyers and doctors (3.5 per cent). Close behind are accountants (3.4 per

cent) and federal civil servants (3.2 per cent), then provincial civil servants (3.0 per cent). Employees in manufacturing experience a 2.8 per cent average annual increase while engineers/architects and local public servants were the lowest at 2.4 and 2.7 per cent respectively.

The second stage of the analysis was to examine the sensitivity of

changes in real incomes to various phases of the business cycle. We have already pointed out that the business cycle is likely to affect various groups in different ways as far as changes in real incomes are concerned. Although one might quarrel about what reference points to use in delineating the business cycle, annual observations on the unemployment rate and rate of change in prices

suggests the following divisions: 1950 — recession; 1951-2 — inflation; 1956-58 — inflation; 1958-62 — recession; 1965-69 — inflation; 1970-71 — recession and mild inflation; 1972-74 — inflation and recession.

During the two-year period 1951-52, lawyers and doctors experienced a decline in real income while employees in the manufacturing sector recorded an 8.4 per cent increase in real earnings.

Teachers, professors and public servants all experienced real income increases to varying degrees. This pattern is what one might expect given the relative inflexibility of certain professional groups to alter fee structures compared to those covered by short (one-year) contracts. Doctors and lawyers made up their losses the next two years with real income increases of 12.6 and 28 per cent respectively. It suggests that there was a strong 'reaction' to the rates of inflation in professional associations such as the Canadian Medical Association and Canadian Bar Association. Part of the increase in lawyers' incomes in 1954 can be explained by the rapid increase in construction activity in 1953 as indicated by a 30 per cent rise in housing investment.

In contrast to the earlier period of inflation, doctors, accountants, and dentists achieved significant gains in real income in 1956-57. Public service and teachers/professors' incomes increased in real terms but at a rate below the long-run average.

In the four-year period of economic slowdown 1958-62, all groups except provincial civil servants and dentists, experienced annual increases (on average) in real income below their long-run average increase. Dentists' income

TABLE 3			
Annual percentage change in private fixed capital formation 1950-1974.			
YEAR	% CHANGE	YEAR	% CHANGE
1950	+ 12.0	1963	+ 8.4
1951	+ 13.3	1964	+ 21.8
1952	+ 14.1	1965	+ 16.9
1953	+ 14.7	1966	+ 16.6
1954	- 2.2	1967	+ 1.2
1955	+ 13.1	1968	+ 1.5
1956	+ 25.2	1969	+ 10.2
1957	+ 7.4	1970	+ 4.7
1958	- 3.0	1971	+ 12.1
1959	+ 0.1	1972	+ 11.2
1960	- 3.2	1973	+ 22.2
1961	- 2.8	1974	+ 21.5
1962	+ 3.9		

Source: Department of Finance, *Economic Review*, April 1976.

rose 10 per cent in 1962 after a small decline the previous year. Engineers and architects suffered a 2 per cent decline in real income over the period. The latter clearly reflects the fact that between 1958 and 1961, private investment declined by approximately 9 per cent as indicated in Table 3.

Five groups, doctors, lawyers, teachers/professors, federal civil servants and provincial civil servants did better than average during the 1965-69 period.

Engineers/architects experienced the greatest volatility in real income with substantial increases in 1965-68 and absolute declines in the next three years, reflecting the dramatic year to year changes in private investment shown in Table 3.

With the exception of lawyers, engineers/architects and accountants, all groups experienced above-average increases in real incomes in 1970-71. This was especially true for doctors, dentists, teachers/professors and federal civil servants. In the case of federal civil servants, teachers and professors, this rapid increase in average income would appear to be partly induced by the rapid expansion in the growth of employment in these areas.

During the 1972-74 period, we find considerable volatility in real incomes. Doctors experience three consecutive years of an absolute decline in real income. This clearly reflects the impact of government policy to restrain expenditures on health by either preventing doctors from raising their fees or limiting

them to modest increases. Engineers/architects in 1973 experienced a 24 per cent rise in real income as did accountants, the former increase reflecting the substantial increases in private fixed capital formation in 1972-73.

It is almost impossible from this visual inspection to detect any strong trends with respect to real income changes over the business cycle, and any correlation between group performance. Obviously, engineers' and architects' income is sensitive to the building cycle, which is reflected in the periods of general economic expansion and inflation. Not so noticeable but nevertheless evident is similar behavior in the case of lawyers' incomes. There is some evidence that the growth of real income in the public service sector slows during periods of inflation but there are exceptions over the 1950-1974 period. This would suggest that governments (especially the federal government) may have tried to hold down wages and salaries in periods of

inflation but were not always successful. A clear pattern of behavior and coincidence of income changes will have to await a thorough statistical analysis. Although periods of inflation and recession may well have an impact on the incomes of various professional groups through the business cycle's impact on the demand for labour, they tell us little about the supply effect.

Although the average percentage changes in real incomes indicate what occupational group has 'gone ahead' over the 1950-74 period, the matrix shown as Table 2 records each occupation's real income relative to all others for three years 1950, 1964 and 1974. There is a great deal of discussion that can be generated from a table such as this. Only a few comments will be made here to highlight the more significant changes. The position of engineers and architects has deteriorated compared with all other groups. The position of dentists has improved compared with all groups over the period

although there were years where they 'temporarily' fell behind one group or another (e.g. teachers in 1964). The position of public servants, in general, has deteriorated compared with teachers/professors, accountants, dentists, and lawyers while against the remaining groups it has either improved or shown no discernible trend. Again, we must emphasize the heterogeneous nature of the composition of occupations in the civil service.

As we noted earlier, this report is highly descriptive and detailed analysis will have to await rigorous statistical testing. The results nevertheless, would appear to be interesting if only at this stage as a contribution to the debate on changes in relative incomes in Canada. [9]

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"Hello, Wadsworth! Read any good tax loopholes lately?"

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comment

Genuine participation in the United States

The West German model of worker participation may be good for Germany, but it should have no role in the U.S., where employees, to an enormous degree and in a genuine sense, participate through their unions in decision-making affecting them. Those who would generalize from the German system would do well to reserve their judgment for a few years in order to see how the new rules providing for greater employee and union representation work in practice, and whether a new generation will heed the lessons of inflation and war. They might also carefully study the coal, iron, and steel experience and that of Volkswagen.

Participation in the United States actually is widespread in areas in which it is most meaningful. Under law and practice, companies must bargain over "terms and conditions of employment," and this phrase has been most generously interpreted by the National Labor Relations Board and the courts. Thus, besides wages and fringe benefits, the employer must discuss and bargain about such matters as hours of work, compensation, layoff and rehiring procedures, premium pay for overtime, supervisors' rights to do journeyman work, contracting out work, automation, plant relocation, partial and complete plant closings, and a host of other matters. In addition, if disputes regarding these or other matters arise during the life of the labour agreement, the issue is generally

settled by binding, third-party arbitration.

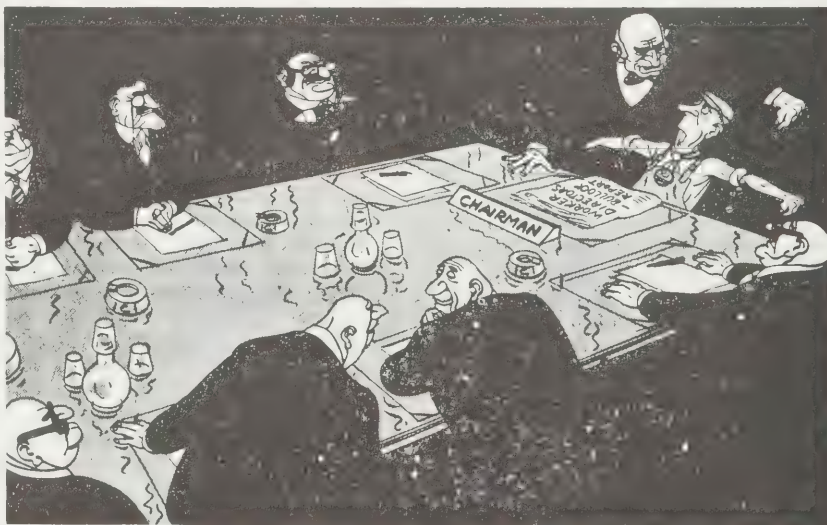
New products or processes usually involve new methods of work. Their success can be assured or thwarted by the degree of union co-operation in their installation and manufacture. The point is, of course, that the union, and employees through the union do indeed participate in such decisions, or in some cases even have a veto over whether matters go forward. Moreover, they participate where it counts — on the shop floor or in the negotiation process which continues throughout the life of the contract. Collective bargaining may be national, regional or local, but in any case, much is left to local union-management determination.

Nor is this all. Like management,

unions also seek special legislative favours in order to bolster companies' abilities to pay higher wages. Unions have, and are, energetically lobbying for tariffs and quotas, usually in co-operation with management. They promote products through advertising, or use of the union label and they influence the demand or supply of products in numerous ways. To the employee, however, participation on the shop floor remains the most significant. This affords him protection against arbitrary action by his supervisors, and sees to it that all matters of grave importance to his future are co-determined.

United States workers, accustomed to the co-determination of what is important to them, are likely to find European-type participation not to their liking.

from Evening Standard, London, England



'You may have got a seat on the board mate — but not my one!'

DELETE

THIS

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The six U.S. automobile workers who were sent to Sweden by the Ford Foundation undoubtedly reacted like most other United States workers would. An article in *The Monthly Labor Review* (September 1975), published by the U.S. labor department, reported:

The Americans' reaction to the worker participation schemes was indifferent or negative. They observed that the works council meeting seemed more like a mixture of shareholders and general sales meeting, and that the members of the works council did not seem to be a representative sample of workers throughout the plant. The production and development group meetings seemed an adjunct of the works council meeting. There were discussions of problems, with little attention directed to possible solutions. In general, all six workers viewed the production and development groups as inadequate in handling disputes at the workplace.

The official union position in the United States is no different. Despite a tongue-in-cheek suggestion at Chrysler, which excited some *New York Times* reporters, the United Automobile Workers aimed directly at the pocketbook, rather than detouring toward the board of directors in the recent labour negotiations. AFL-CIO president, George Meany's executive assistant, Thomas R. Donahue, summed it all up by declaring: "We do not want to blur in any way the distinctions between the respective roles of management and labour in the plant." Unions, he noted,

Public service case prompts comment

Among the [October] News Briefs was an item: "Public servant wins case against federal government." The public servant was identified as "Robert Delanoy, an employee of the department of national defence in Calgary." The only thing wrong with that statement is that Mr. Delanoy is employed in the Department of National Revenue (Taxation).

The article ended by saying that 25 other appeals of the same nature had been referred to the court. I can tell you that the court

set aside all of these appeal decisions and soon after that, all the appeals were allowed. However, it took over two months of prodding by the Alliance before the Public Service Commission obeyed its own law and revoked the appointments which had been unlawfully made.

W. Hewitt-White

Director, Appeals and Grievances Branch
Public Service Alliance of Canada, Ottawa

"currently bargain on more issues than the number we might have any impact on as members of a board of directors." [LG, Aug. '76]

Alfred L. Thimm's careful study of Volkswagen, published in the *Columbia Journal of World Business*, Spring 1976, is revealing. Volkswagen is 40 per cent owned by the German Federal Republic and the State of Lower Saxony. Alone among major German industries, it bargains directly with I.G. Metall, largest and strongest of German unions. On its supervisory board sit representatives of these governments, the president of I.G. Metall, plus employee directors. Private shareholders have only a minority representation. A review of Volkswagen's supervisory board decisions, including the long fight over a United States plant, show a

costly political tug of war, as economic decisions were vetoed or modified by union-political control. The whole story is a somber one in terms of economic efficiency and social well-being; yet it is a likely preview of the future if we march to the tune of the European-model participation siren.

Herbert R. Northrup

Professor of industry and director of the Industrial Research Unit at the Wharton School, University of Pennsylvania.

The foregoing was condensed from an address to the Personnel Association of Toronto, December 1976.

Books

An Illustrated History of Canadian Labour 1800 - 1974

by **Edward E. Seymour**, Canadian Labour Congress, 1976.

Readers who like their history written coolly and objectively in academic prose will be disappointed by *An Illustrated History of Canadian Labour*. This work is written with heart.

Since 1970, Ed Seymour has been Canadian education and publicity director for the Textile Workers Union of America, which merged in June with the Amalgamated Clothing Workers to form the Amalgamated Clothing and Textile Workers Union.

He has written labour history as he sees it and is frank about his objective — to “examine the development of working peoples’ organizations against the background of confrontations between workers’ aspirations and the equally determined efforts of management to maintain the status quo.”

To him “the advances made on the economic and social fronts by labour people are never attained without some form of confrontation, and any attempt to portray labour’s story without recognition of this fact is to ignore recorded history.”

But historians, “with a few notable exceptions,” have “neglected to make any honest effort to record labour’s history.”

From that point of view, Seymour presents a relatively short, highly

readable history of the major historical developments affecting working people and their organizations in Canada during the 19th and 20th centuries.

The facts he does present are accurate according to the criteria of time, place, dates and numbers, and he is also quite honest about his major omission — the internal union struggles that occurred throughout the years. His reason? “This writer felt the real struggle was fought by unions against government and industry. This struggle is a continuing one.”

All the other major developments one would expect to find recorded in a brief history of labour are there: the early struggles for union recognition, the Trades Union Act, the Canadian Labour Union’s inaugural convention, the story of the Knights of Labour, the founding of the Trades and Labour Congress of Canada, the Canada Department of Labour, the Canadian Congress of Labour, the Canadian Labour Congress, the Co-operative Commonwealth Federation and the New Democratic Party, as well as the Winnipeg general strike and the other major strikes of the 20th century.

Almost every one of the well presented 92 pages contains one or more historical photos — many of them previously unpublished.

If emotion runs through the text, it comes across even more strongly in the illustrations. For example — 25 carloads of armed volunteers ready to go into action against the Winnipeg general strikers; women preparing relief bundles for Cape

Breton coal miners during their 1925 strike against British Empire and Steel Company; Depression hunger marchers on their way from Vancouver to Ottawa — they never made it — carrying a sign: “We want to be citizens not transients”; a dramatic photo of the late Claude Jodoin, first president of the Canadian Labour Congress, confronting Quebec Provincial Police during the 1957 strike at Gaspé Copper Company in Murdochville; and a photo taken just after Premier Mitchell Hepburn described the 1937 General Motors strikers at Oshawa as alien invaders of Canada: a long row of strikers wearing the medals they had won for valour as members of Canada’s armed forces during the First World War.

Seymour says that what little is taught about unions in Canadian schools “is so viciously anti-labour that it is not surprising that an anti-labour bias exists in our society.”

This is the third labour history by a trade unionist published in as many years. Seymour’s history deserves a place alongside Morden Lazarus’ *Years of Hard Labour* [Books, Oct. ’75] and Jack Williams’ *The Story of Unions in Canada* [Books, Jan. ’76].

And if many readers find Seymour’s history the most upsetting of the three, it may be because Seymour is right about the anti-labour bias in Canadian society.

—Roy LaBerge

Roy LaBerge is a social science teacher, at Algonquin College, Ottawa, a journalist and former editor of Canadian Labour.

Help for the Working Wounded

by **Thomas F. Mancuso**
Published by the International Association of Machinists and Aerospace Workers, 1976, 221 pp.

The author of this book, a physician and professor of occupational health at the University of Pittsburgh, has had a long career in industrial medicine and has served on numerous U.S. government agencies and is a medical consultant to the Machinists Union.

Traditionally, workers have been dependent upon employers and governments in matters regarding occupational health. This dependency has resulted in numerous unnecessary diseases and deaths. Mancuso is one of several professionals providing a badly needed alternate source of occupational health data.

This book is intended to provide accurate, practical information to the average worker. Indeed, much of it is in the form of concise responses to letters written by concerned workers. Many first appeared in the 1974-1975 editions of the union's journal, *The Machinist*. There are four main sections in the book. The opening section is called "Recognizing an Occupational Illness" and contains exchanges such as the following:

Q. *"I have been an auto mechanic for 40 years. I have worked in poorly ventilated shops all this time. I have also breathed brake dust from many thousands of brake jobs. I have bad legs, back, and no wind. I don't smoke cigarettes. I do smoke cigars. Is there any state compensation?"*

A. *In brake lining dust you would have been exposed to asbestos dust that lines the brakes. Asbestos produces a fibrosis of the lungs called asbestosis and asbestosis causes emphysema. Now, if your chest x-rays show evidence of asbestosis, or some stage of asbestosis, then you would have the basis for an occupational disease compensation claim..."*

In similar types of exchanges workers are constantly alerted to possible health hazards.

The next section discusses the question, "Occupational Exposure: How Much Is Enough?" Its purpose is to "Help you understand the significance of the air contaminant standard...to tell you what air sampling and testing is all about — how results are interpreted and evaluated, what the concentration levels mean; how air samples and tests identify the nature and extent of the health risks on the job and how they affect your compensation claim." A reprint of O.S.H.A. air contaminant standards is also included.

A section on control measures follows, outlining, in detail, means of air contaminant control such as ventilation. Elimination of the contaminant source is judged the most desirable method, while individual worker protection the least. Owing to differences between U.S. and Canadian laws, the final section on worker's compensation is not very useful to Canadians.

Overall, Mancuso succeeds in providing occupational health information to workers in a language they can understand.

One disappointing feature of the book, however, is its apolitical nature. For example, the author states, without further explanation, that the purpose of present legislated standards is to "protect your health by specifying the limits of exposure to these toxic substances during the course of your employment." Unfortunately, the process of standard-setting is not simply a scientific exercise.

Many standards were and are inadequate by objective criteria. Morton Corn, head of O.S.H.A. recently noted the "consensus standards include many regulations which appear to have marginal, if any, effect on eliminating potential hazards in the work place." The requirement that O.S.H.A. submit Inflationary Impact Statements on proposed regulations also reduces the likelihood that standards will be based solely on medical-scientific criteria.

In reality, the unions, backed by scientific research, demand the safest possible standards. Companies, also backed by scientific research, insist on the cheapest possible standards. The legislation finally enacted is determined as much by political forces as by scientific data. In this sense, Patrick Kinnersly's book, *The Hazards of Work*, is more useful. Nevertheless, Mancuso's guide is extremely valuable. It should be read by Canadian workers.

—Ray Sentes

Ray Sentes is research director of the International Insulators and Asbestos Workers, Local 126 in Calgary

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, November, 1976

The all-items Consumer Price Index for Canada (1971 = 100) increased 0.3 per cent to 152.2 in November from 151.7 in October, and was 5.6 per cent above its level of a year ago. The latest increase was again due to a decline in the food index, the most recent decrease being 0.2 per cent. Higher charges for transportation and shelter were mainly responsible for the all-items increase of 0.3 per cent as well as for the 0.5 per cent rise in the index excluding food. Lower pork prices, 9 per cent, on average, below the index for the previous month, as well as lower prices for fresh fruit, were largely responsible for the 0.2 per cent decrease in the food index. Higher prices for fresh vegetables, fresh milk, soft drinks consumed at home and restaurant meals, partially offset these decreases. In November 1976, the index for food consumed at home was 3.3 per cent below its level of November 1975.

Increased shelter charges for both owned and rented accommodation, as well as higher prices in the transportation component, accounted for much of the 0.5 per cent increase. Part of these increases was because of higher premiums for both dwelling and automobile insurance. Important price increases were also registered for automobile repairs and for barbering and hairdressing services. The 1.2 per cent rise in the transportation component also reflected new car retail purchase prices.

In terms of goods and services, the price level of goods, including food, increased 0.1 per cent in the latest month while that for services increased 0.7 per cent. Seasonally adjusted, the all-items CPI advanced 0.3 per cent. This included a 0.1 per cent increase in the food index to a 0.4 per cent increase in the index for all items excluding food.

City Consumer, November 1976

Consumer price indexes rose in 12 regional cities, and declined in Vancouver and Thunder Bay. Movements ranged from a decrease of 0.2 per cent in Vancouver to an increase of 0.9 per cent in Edmonton. Increases in shelter charges, new car prices and higher automobile insurance and repair charges were mainly responsible for the increase. Other contributing factors included higher prices for selected clothing items and for barber and hairdresser services. Prices for food consumed at home generally declined, especially those for pork and fresh fruit.

Percentage increases listed in 12 regional cities were: 0.2 in Toronto and Winnipeg; 0.3 in St. John's and Halifax; 0.4 in Calgary; 0.5 in Ottawa; 0.6 in Saint John, Saskatoon and Regina; 0.7 in Montreal; 0.8 in Quebec; 0.9 in Edmonton. Percentage decreases were: 0.1 in Thunder Bay; and 0.2 in Vancouver.

Employment, November, 1976

Without seasonal adjustment, the employment level in November

was 9,592,000, compared with 9,663,000 in October and 9,471,000 in November a year ago. There was an increase in employment for men 25 years of age and over, but decreases for men 15 to 25 and for women in both categories.

Unemployment, November, 1976

Seasonally adjusted, the unemployment rate in November was 7.3 per cent compared with 7.6 per cent in October and 7.0 per cent in November 1975. Without seasonal adjustment, there were 708,000 persons unemployed for an unemployment rate of 6.9 per cent, compared with 679,000 unemployed for a rate of 6.6 per cent in October. In November 1975 there were 686,000 unemployed for a rate of 6.8 per cent. There was a decline in unemployment for men and women 25 years of age and over, but an increase for men and women in the younger age category.

The seasonally adjusted unemployment rates for the provinces, with October rates in parentheses, were: Newfoundland 14.8 per cent (13.9); Prince Edward Island 10.1 per cent (11.7); Nova Scotia 11.2 per cent (10.9); New Brunswick 11.0 per cent (11.8); Quebec 9.8 per cent (10.1); Ontario 6.2 per cent (6.3); Manitoba 4.6 per cent (4.9); Saskatchewan 3.4 per cent (4.2); Alberta 3.5 per cent (3.7); British Columbia 7.3 per cent (7.3).

Earnings, October

Average weekly earnings in Canadian industry were \$234.27 in October, an increase of 10.0 per cent from \$212.90 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$267.06; Alberta, \$245.92; Ontario, \$235.29; Newfoundland, \$228.98; Quebec, \$226.41; Saskatchewan, \$221.83; Manitoba, \$216.01; New Brunswick, \$207.86; Nova Scotia, \$198.82; and

Prince Edward Island, \$175.89. Average weekly earnings in October, by industry division, were: construction, \$342.70; mining, \$326.15; forestry, \$301.13;

transportation, communications and other utilities, \$269.62; manufacturing, \$247.58; finance, insurance and real estate, \$215.29; trade, \$181.22; and service,

\$162.63. Compared with October a year ago, average hourly earnings increased 13.2 per cent in manufacturing, 11.2 per cent in mining and 10.8 per cent in construction.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$2.75 effective March 1, 1976
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick ..	\$2.80 effective November 1, 1976
Newfoundland ...	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan ...	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.60	March 1, 1976
British Columbia	Students under 18 employed part-time: \$2.25	March 1, 1976
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

Additions to the Library

LIST NO. 332

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the publication numeral and the month.

BIOGRAPHIES

1. Hoffa, James Riddle. Hoffa: the real story, by James R. Hoffa as told to Oscar Fraley. New York, Stein and Day, 1975. 242p.

2. Moggridge, Donald Edward. Keynes. London, Macmillan Press, by agreement with Fontana Books, 1976. 189p.

CIVIL RIGHTS

3. Canada. Department of Labour. Legislative Research Branch. Human rights in Canada. 1975. Ottawa, Supply and Services Canada, 1976. 1v. Titre en français: Les droits de l'homme au Canada.

COLLECTIVE BARGAINING

4. Garfin, Molly. Collective bargaining in higher education, 1975. Compiled by Molly Garfin with the assistance of Daniel J.

Julius and Joseph M. Egar. New York, National Center for the Study of Collective Bargaining in Higher Education, Baruch College, CUNY, 1976. 231p.

COMMERCIAL POLICY

5. Conference Board. Canadian Office. Canada's international trade: trends and prospects, by Charles A. Barrett. Ottawa, 1976. 55p.

CORPORATIONS

6. Conference Board. Corporate philanthropic public service activities, by James F. Harris and Anne Klepper. New York, 1976. 61p.

DISCRIMINATION IN EMPLOYMENT

7. Affirmative action: the answer to discrimination? an AEI round table held on May 28, 1975 at the American Enterprise Institute for Public Policy Research. Ralph K. Winter, Jr., Moderator. Washington, American Enterprise Institute for Public Policy Research, 1976. 40p.

8. Equal employment opportunity: the second decade. John J. Ross, chairman. New York, Practising Law Institute, 1975. 392p.

9. U.S. Congress. House. Select Committee on Aging. Subcommittee on Retirement Income and Employment. Age and sex discrimination in employment, and review of federal response to employment needs of the elderly: hearing...Ninety-fourth Congress, first session, December 10, 1975. Washington, G.P.O., 1976. 66p.

ECONOMIC CONDITIONS

10. Denison, Edward Tulton. How Japan's economy grew so fast; the sources of post-war expansion, by Edward F. Denison and William K. Chung. Washington, Brookings Institution, 1976. 267p.

11. Raynauld, André. Economics and political reality: address delivered before the Canadian Association of The Club of Rome. Ottawa, 1976. 16p.

ENERGY

12. Gordon, Richard L. Coal and Canada-U.S. energy relations. Montreal, Canadian-American Committee, 1976. 75p.

FAIR WAGES

13. Hyman, Richard. Social values and industrial relations; a study of fairness and equality, by Richard Hyman and Ian Brough. Oxford, Blackwell, 1975. 277p.

FAMILY

14. Woolf, Myra. Families five years on, by Myra Woolf and Sue Pegden. London, H.M.S.O., 1976. 188p.

HOURS OF LABOUR

15. Côté, Louise H. L'horaire variable au Québec: rapport d'enquête, par Louise H. Côté et Normande Lewis avec la collaboration de R. Boulard et B. Turgeon. Québec, Ministère du travail et de la main-d'oeuvre, Direction générale de la recherche, 1976. 207p.

INDUSTRIAL DISPUTES — HISTORY

16. Noël, Gerard. The great lock-out of 1926. London, Constable, 1976. 239p.

17. Snyder, David Richard. Determinants of industrial conflict: historical models of strikes in France, Italy, and the United States. Ann Arbor, Mich., Xerox University Microfilms, 1976. 376p.

18. Trory, Ernest. Brighton and the General Strike. Brighton, Crabtree Press, 1975. 32p.

INDUSTRIAL HEALTH

19. Jackson, James. Health and safety — the new law. 2d ed. London, The Commercial Publishing Company, 1975. 108p.

INDUSTRIAL RELATIONS

20. Kochan, Thomas Anton. A model of organizational change in the context of union-management relations, by Thomas A. Kochan and Lee Dyer. Ithaca, N.Y., 1976. p.59-78. (Cornell University. New

York State School of Industrial and Labor Relations. Reprint Series No. 390)

INFLATION

21. Auld, Douglas A.L. Issues in government expenditure growth, by D.A.L. Auld. Montreal, Canadian Economic Policy Committee, 1976. 59p.

22. Committee for Economic Development. Fighting inflation and promoting growth; a statement on national policy by the Research and Policy Committee of the Committee for Economic Development. New York, Committee for Economic Development, 1976. 96p.

23. The way ahead: a framework for discussion. Ottawa, 1976. 32p. Titre en français: La voie à suivre: un cadre de discussion. Distributed by the Department of Finance/Distribué par le Ministère de Finance.

INSURANCE, UNEMPLOYMENT

24. Green, Christopher. Unemployment in Canada: the impact of unemployment insurance, by Christopher Green and Jean-Michel Cousineau. Ottawa, Economic Council of Canada, 1976. 148p. Titre en français: Chômage et programmes d'assurance-chômage.

JOB ENRICHMENT

25. Ontario. Ministry of Labour. Research Branch. Innovative work arrangements; a case study in job enrichment: Philips Electronics Limited, Leaside, Ontario, by Ian S.G. Meadows. Toronto, 1976. 20p.

LABOUR HISTORY

26. Bonville, Jean de. Jean-Baptiste Gagnepetit: les travailleurs montréalais à la fin du XIXe siècle. Préf. de Pierre Vadeboncoeur. Montréal, L'Aurore, 1975. 253p.

27. Seymour, Edward E. An illustrated history of Canadian labour, 1800-1974. Ottawa, Canadian Labour Congress, 1976. 91p.

LABOUR LAWS AND LEGISLATION

28. Illinois. Department of Labor. Division of Statistics, Programs and Publications. Illinois laws relating to labor and employment, 1976. Chicago, 1976. 221p.

29. U.S. Department of Labor. Labor-Management Services Administration. Compliance, enforcement and reporting in 1974 under the Labor-Management Reporting and Disclosure Act. Washington, G.P.O., 1975. 115p.

LABOUR ORGANIZATION

30. Green, Gilbert. What's happening to labor, by Gil Green. New York, International Publishers, 1976. 305p.

LABOUR ORGANIZATION — HISTORY

31. Hutt, Allen. British trade unionism; a short history, by Allen Hutt. 6th ed., with concluding chapter by John Gollan. London, Lawrence & Wishart, 1975. 265p.

MIGRANT LABOUR

32. Abadan-Unat, Nermin. Turkish workers in Europe, 1960-1975: a

socio-economic reappraisal. Leiden, Netherlands, E.J. Brill, 1976. 424p.

OCCUPATIONS

33. Conference Board. Changes in occupational characteristics: planning ahead for the 1980's by Leonard A. Lecht with Marc Matland and Richard Rosen. New York, 1976. 87p.

34. U.S. Bureau of Labor Statistics. Occupational outlook handbook, 1976-77 edition. Washington, G.P.O., 1976. 781p.

PENSIONS

35. Féraud, Lucien. Complementary pensions; a comparative analysis. Geneva, International Social Security Association, 1975. 123p.

PRODUCTIVITY OF LABOUR

36. Pratten, C.F. Labour productivity differentials within international companies. Cambridge, Eng., Cambridge University Press, 1976. 118p.

PUBLIC WELFARE

37. Stein, Bruno. Work and welfare in Britain and the USA. New York, Wiley, 1976. 112p.

RETIREMENT

38. Your third career, by George Radbourne and others. Ottawa,

Environment Canada, 1975. 1v. (various pagings).

SOCIAL SECURITY

39. U.S Congress. House. Committee on Ways and Means. Subcommittee on Social Security. President's social security proposals: public hearings...Ninety-fourth congress, second session, February 2, 3, 4, 5, 6, 10, and 19, 1976. Washington, G.P.O., 1976. 454p.

SOCIALISM

40. Rosen, Harvey Malcolm. The quest for a new social order: Harry W. Laidler and the League for Industrial Democracy. Ann Arbor, Xerox University Microfilms, 1976. 330p.

SOCIOLOGY

41. Varma, Baidya Nath. The new social sciences. Westport, Conn., Greenwood Press, 1976. 276p.

STATUS OF WOMEN

42. Ontario. Ministry of Consumer and Commercial Relations. Credit and you: women's access to credit in Ontario. Toronto, 1976. 15p.

TRADE AND PROFESSIONAL ASSOCIATIONS

43. Conference Board. Unionization of professional societies, by Eileen B. Hoffman. New York, 1976. 58p.

WAGES AND HOURS

44. Fonseca, Aloysius Joseph. Wage issues in a developing economy: the Indian experience. Bombay, Oxford University Press, 1975. 264p.

45. Ross, Clark Grant. Investigation of unionized contract construction wage changes: a micro analysis 1960-1971. Ann Arbor, Xerox University Microfilms, 1976. 187p.

WOMEN

46. Decision Marketing Research Ltd. Women in Canada. Prepared for International Women's Year Secretariat, Privy Council Office, Ottawa. 2d ed. Toronto, 1976. 256p.

WOMEN — EMPLOYMENT

47. Chapman, Jane Roberts. Economic independence for women: the foundation for equal rights. Beverly Hills, Calif., Sage Publications, 1976. 285p.

48. Organize! A working women's handbook. Berkeley, Calif., UNION W.A.G.E. Educational Committee, 1975. 43p.

49. U.S. Women's Bureau. Mature women workers: a profile. Washington, G.P.O., 1976. 12p.

WOMEN IN LABOUR UNIONS

50. Hamilton, Mary Agnes (Adamson). Mary Macarthur; a biographical sketch. Westport, Conn., Hyperion Press, 1976. 209p.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended October 16, 1976		10,342	- 0.1	+ 3.6
Employed	October 1976	9,663	- 0.2	+ 2.7
Agriculture	" "	513	- 5	+ 3.8
Non-agriculture	" "	9,785	+ 0.2	+ 9.7
Paid workers	" "	9,300	+ 0.1	+ 11.0
At work 35 hours or more	" "	3,313	- 54.6	- 9.0
At work less than 35 hours	" "	5,785	+ 22.9	+ 9.1
Employed but not at work	" "	564	- 9.3	+ 4.6
		(change in thousands)		
Unemployed	October 1976	679	+ 9	+ 36
Newfoundland	" "	23	—	—
Nova Scotia	" "	32	+ 1	+ 10
Prince Edward Island	" "	4	—	—
New Brunswick	" "	26	—	+ 2
Quebec	" "	234	- 5	- 43
Ontario	" "	223	+ 21	—
Manitoba	" "	17	- 1	- 3
Saskatchewan	" "	12	—	—
Alberta	" "	29	+ 1	- 4
British Columbia	" "	81	- 7	- 15
Without work, seeking work and available for work.	" "	610	+ 6	+ 99
		percentage change		
INDUSTRIAL EMPLOYMENT (1961 = 100) ^f	July 1976	146.8	- 0.6	+ 2.4
Manufacturing employment (1961 = 100) ^f	" "	129.4	- 1.0	+ 2.5
IMMIGRATION	First 6 months 1976	73,735	—	—
Destined to the labour force.	" "	30,986	—	—
STRIKES AND LOCKOUTS†				
Strikes and lockouts	September 1976	168	- 10.7	- 24.4
No. of workers involved	" "	149,465	+ 68.0	+ 83.8
Duration in man days	" "	2,336,236	+ 144.9	+ 81.4
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^f	July 1976	230.11	+ 0.3	+ 12.1
Average hourly earnings (mfg.) ^f	" "	5.79	- 0.2	+ 14.2
Average weekly hours paid (mfg.) ^f	" "	38.2	- 1.3	+ 0.3
Consumer price index (1971 = 100)	October 1976	151.7	+ 0.7	+ 6.2
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^f	July 1976	148.3	- 2.0	+ 7.6
Total labour income (millions of dollars) [†]	September 1976	9,003.9	+ 3.1	+ 12.5
INDUSTRIAL PRODUCTION‡				
Total (average 1971 = 100)	September 1976	120.5	- 0.1	+ 6.2
Manufacturing	" "	120.7	- 0.2	+ 6.2
Durables	" "	122.6	- 0.3	+ 5.6
Non-durables	" "	118.8	- 0.2	+ 7.7
NEW RESIDENTIAL CONSTRUCTION**				
Starts	September 1976	18,849	—	—
Completions	" "	17,659	—	+ 9
Under construction	" "	166,018	—	+ 21

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

†Advance data

‡Preliminary

**Centres of 10,000 population or more

^f Revised

STRIKES AND LOCKOUTS

The Gazette will no longer carry a table on strikes and lockouts involving 100 or more workers. This information is available on request, from the Labour Organizations and Labour Disputes Division, Labour Canada, Ottawa, K1A 0J2.

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The first three tables in this section cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

STRIKES AND LOCKOUTS, 1971-76

Month or Year	Strikes and Lockouts Beginning During Month of Year	Strikes and Lockouts in Existence During Month of Year			Per Cent of Estimated Working Time
		Strikes and Lockouts	Workers Involved	Man-Days	
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,170	1,216	592,220	9,255,120	0.46
1975	977	1,054	482,180	10,894,190	0.53
1975					
September	68	222	81,292	1,287,600	0.75
October	70	244	111,470	1,298,900	0.72
November	55	197	91,697	1,442,020	0.88
December	28	176	82,266	1,106,620	0.64
*1976					
January	33	164	54,590	842,250	0.49
February	46	170	148,145	603,130	0.37
March	71	170	172,468	483,060	0.25
April	66	157	303,708	702,250	0.40
May	85	177	268,076	707,930	0.42
June	118	238	190,197	1,183,080	0.62
July	61	197	79,058	1,330,020	0.71
August	62	188	88,931	953,940	0.50
September	51	168	134,465	1,736,230	0.97
January-September: 1975		901		6,982,980	0.45
January-September: 1976		726		8,541,890	0.52

*Preliminary.

STRIKES AND LOCKOUTS, SEPTEMBER 1976, BY INDUSTRY (Preliminary)

Industry	Number In Effect During Month				Cumulative Man-Days (Jan. to Sept.)
	Beginning During Month	Strikes and Lockouts	Workers Involved	Man-Days	
Agriculture	0	0	0	0	670
Forestry	0	1	355	7,460	31,110
Fishing	0	0	0	0	350
Mines	1	8	2,591	28,880	534,820
Manufacturing	22	84	29,804	488,110	3,772,110
Construction	6	13	91,492	1,094,840	1,813,580
Transp. & Utilities	10	30	4,529	43,920	478,170
Trade	3	13	1,589	29,080	142,410
Finance	0	2	62	1,300	7,340
Service	7	12	3,814	38,560	1,040,800
Public Admin.	2	5	229	4,080	56,030
Various industries	0	0	0	0	664,500
TOTAL	51	168	134,465	1,736,230	8,541,890

STRIKES AND LOCKOUTS, SEPTEMBER 1976, BY JURISDICTION (Preliminary)

Jurisdiction	Number In Effect During Month				Cumulative Man-Days (Jan. to Sept.)
	Beginning During Month	Strikes and Lockouts	Workers Involved	Man-Days	
Newfoundland	2	4	187	1,380	130,790
P.E.I.	0	1	110	2,310	23,110
Nova Scotia	1	4	3,131	36,600	176,260
New Brunswick	1	4	2,243	11,240	229,840
Quebec	16	74	83,980	1,168,210	4,692,020
Ontario	12	37	9,153	101,970	1,393,050
Manitoba	2	2	154	1,330	89,850
Saskatchewan	3	7	788	10,210	112,770
Alberta	1	5	590	10,030	62,780
B.C.	8	15	30,706	354,170	1,444,740
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	46	153	131,042	1,697,450	8,355,210
Federal					
Public Service (1)	0	0	0	0	3,730
Industries (2)	5	15	2,423	38,780	182,950
Federal total	5	15	2,423	38,780	186,680
TOTAL	51	168	134,465	1,736,230	8,541,890

(1) Covered under the Public Service Staff Relations Act

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers related only to workers directly involved in the dispute.

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary)

Industry	Employer	Union	Workers Involved	Duration in Man-Days		Starting Date	Major Issues
Location				Sept.	Accu- mulated	Termi- nation Date	Result
Forestry							
Woodlands Enterprises, Prince Albert, Sask.	Woodworkers Loc. 1-184 (AFL-CIO/CLC)		355	7,460	32,850	May 19	Wages, fringes, other issues —
Mines							
METAL							
St. Lawrence Columbium & Metals Corp., Oka, Quebec	Steelworkers Loc. 7579 (AFL-CIO/CLC)		170	3,570	28,650	Feb. 03	Wages, fringe benefits —
Whitehorse Copper Mines, Whitehorse, Yukon	Steelworkers Loc. 926 (AFL-CIO/CLC)		160	320	7,560	June 30 Sept. 03	Wages — Terminated by mutual agreement —
United Keno Hill Mines, Elsa, Yukon	Steelworkers Loc. 924 (AFL-CIO/CLC)		186	1,590	6,210	July 29 Sept. 13	Wages, fringe benefits — Terminated by mutual agreement —
Cyprus-Anvil Mines, Faro, Yukon	Steelworkers Loc. 1051 (AFL-CIO/CLC)		480	10,290	21,240	July 31	AIB rollback of wages —
Island Copper Mine, Port Hardy, B.C.	Int. Op. Engineers Loc. 115 (AFL-CIO/CLC)		625	1,250	1,250	Sept. 20 Sept. 22	Dismissal of an employee — Not reported —
MINERAL FUELS							
Fording Coal (Cominco), Elkford, B.C.	Chartered Local Loc. 1702 (CLC)		100	1,000	9,200	May 05 Sept. 16	Wages, length of contract — Terminated by mutual agreement —
Fording Coal (Cominco), Elkford, B.C.	Steelworkers Loc. 7884 (AFL-CIO/CLC)		720	7,710	68,390	May 06 Sept. 16	Wages, length of contract — Terminated by mutual agreement —
QUARRIES							
Demix Laval Ltd., Laval, Quebec	Syndicat des employés de Demix (CNTU)		150	3,150	12,300	June 05	Wages, fringe benefits —
Manufacturing							
FOOD & BEVERAGES							
Labatts Alberta Brewery, Edmonton, Alberta	Brewery Wkrs. Loc. 252 (CLC)		132	4,420	8,310	July 21 Sept. 07	Wages, pensions, plant operat'n — Terminated by mutual agreement —
Canadian Home Products, Niagara Falls, Ontario	Food Workers Loc. P767 (AFL-CIO/CLC)		250	4,250	11,000	July 23 Sept. 27	Wages, fringes, other issues — Terminated by mutual agreement —
Walter M. Lowneys, Sherbrooke, Quebec	Bakery Workers Loc. 476 (AFL-CIO/CLC)		550	9,900	15,400	Aug. 18 Sept. 27	Wages, fringe benefits — Not reported —
General Bakeries, Toronto, Ontario	Bakery Workers Loc. 264 (AFL-CIO/CLC)		194	3,300	4,080	Aug. 26 Sept. 25	Wages, fringe benefits — Not reported —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary) (Cont'd)

Industry	Employer	Union	Workers Involved	Duration in Man-Days		Starting Date	Major Issues
				Sept.	Accumulated	Termination Date	
	Blue Water Sea Foods, Lachine, Quebec	Food Workers Loc. P-551 (AFL-CIO/CLC)	185	560	560	Sept. 28	Not reported —
TOBACCO PRODUCTS							
	Imperial Tobacco, Guelph, Ontario	Tobacco Workers Loc. 323 (AFL-CIO/CLC)	730	1,460	1,460	Sept. 23	Suspension of local President — President reinstated —
TEXTILES							
	Celanese Canada, Drummondville, Quebec	Syndicat des employés de Celanese (CNTU)	1,471	31,520	168,110	Apr. 26	Wages, fringes, other issues —
WOOD							
	Canadian Forest Products, Hunting-Meritt, B.C.	Woodworkers Loc. 1-217 (AFL-CIO/CLC)	170	2,040	188,870	Sept. 13/1972	Shorter hours, elimination of piece rates —
						Sept. 19/1976	Terminated by mutual agreement —
	Bellerive Veneer & Plywood, Mont-Laurier, Quebec	Carpenters Loc. 2399 (AFL-CIO/CLC)	166	2,160	13,120	May 31 Sept. 21	Wages — Not reported —
	Welwood Ltd., Long Lac, Ontario	Carpenters Loc. 2693 (AFL-CIO/CLC)	325	5,850	5,850	Sept. 07	Wages —
FURNITURE & FIXTURES							
	Metal Works Ltd., Lachine, Quebec	Steelworkers Loc. 7599 (AFL-CIO/CLC)	125	1,130	1,130	Sept. 20	Not reported —
PAPER							
	Reed Paper Co., Dryden, Ontario	Various unions	1,044	15,660	74,530	June 14 Sept. 22	Wages — Agreement reached workers return —
	Boxcraft Ltd., Montreal, Quebec	CSD	125	1,880	3,010	Aug. 19	Not reported — Not reported —
	J. Ford & Cie, Portneuf, Quebec	CSD	335	7,040	8,380	Aug. 26	Not reported —
	Standard Paper Box, Montreal & Quebec, Que.	Fed'n of Paper & Forest Wkrs. (CNTU)	575	12,080	13,230	Aug. 27	Non-wage issues —
PRIMARY METALS							
	Ontario Malleable Iron, Oshawa, Ontario	Steelworkers Loc. 1500 (AFL-CIO/CLC)	220	4,620	39,380	Jan. 18	Wages, fringe benefits —
	Sidbec-Dosco, Contrecoeur, Quebec	Steelworkers various locs. (AFL-CIO/CLC)	1,190	25,500	125,350	May 06	Wages, fringes, hours of work —
	Benn Iron Foundry, Wallaceburg, Ontario	Auto Workers Loc. 251 (CLC)	240	5,040	21,120	May 27	Wages —
	Canada Valve Ltd., Kitchener, Ontario	Moulders Loc. 279 (AFL-CIO/CLC)	140	2,940	12,040	May 29	Wages, other issues —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary) (Cont'd)

Industry	Employer	Workers Involved	Duration in Man-Days		Starting Date	Major Issues	
Location			Union	Sept.	Accu- mulated		Termi- nation Date
	Alcan, various locations, Quebec	Fed'n of Aluminum Unions (Ind)	8,669	185,760	743,060	June 03	Wages, pensions, safety —
	Kelsey Hayes Canada Ltd., Woodstock, Ont.	Auto Workers Loc. 636 (CLC)	235	470	470	Sept. 01 Sept. 02	Problem of discipline — Not reported —
METAL FABRICATING							
	Sidbec-Dosco Ltée., Montréal, Québec	Steelworkers (AFL-CIO/CLC)	1,000	21,430	102,810	May 10	Wages —
	Sidbec-Dosco (Truscon) LaSalle, Quebec	Steelworkers Loc. 5063, 6025 (AFL-CIO/CLC)	234	4,910	23,620	May 10	Wages, fringe benefits —
	Sidbec-Dosco Ltd., Etobicoke, Ontario	Steelworkers Loc. 5927, 5629 (AFL-CIO/CLC)	230	4,830	21,850	May 16	Wages —
	Dynamic Industries, Quebec, Quebec	Auto Workers Loc. 1044 (CLC)	100	1,700	3,600	Aug. 05	Not reported — Not reported —
	Bridge and Tank, Hamilton, Ontario	Steelworkers Loc. 2537 (AFL-CIO/CLC)	136	1,220	2,850	Aug. 16 Sept. 15	Job security, vacations — Not reported —
	Industrial Fastners, Marieville, Quebec	Steelworkers Loc. 6839 (AFL-CIO/CLC)	375	3,380	3,380	Sept. 07 Sept. 20	Not reported — Not reported —
	Velan Engineering, Montreal, Quebec	Fed'n of Metal Trades Unions (CNTU)	350	6,300	6,300	Sept. 07	Wages, other issues —
MACHINERY							
	Borg Warner Canada, Scarborough, Ontario	Machinists Loc. 235 (AFL-CIO/CLC)	117	350	1,930	Aug. 12 Sept. 07	Wages, other issues — Terminated by mutual agreement —
	Sheldon's Engineering, Cambridge, Ontario	Steelworkers Loc. 2931 (AFL-CIO/CLC)	185	1,390	1,390	Sept. 17 Sept. 29	Co-op. wage study — Terminated by mutual agreement
TRANSPORTATION EQUIPMENT							
	Motor Wheel Corp., Chatham, Ontario	Auto Workers Loc. 127 (CLC)	588	12,350	54,690	May 19	Wages, fringe benefits —
	Skiroule Ltée, Wickham, Québec	Steelworkers Loc. 776 (AFL-CIO/CLC)	130	2,730	8,580	June 29	Wages, fringe benefits —
	Fruehauf Tractor, Mississauga, Ontario	Auto Workers Loc. 252 (CLC)	339	7,120	21,020	July 05	Wages, fringes, length of agmt. —
	Ralph Milrod Metals, Mississauga, Ontario	Machinists Loc. 2506 (AFL-CIO/CLC)	210	1,010	1,610	Aug. 26 Sept. 09	Contract issues — Ordered back by OLRB —
	General Motors, Ste. Thérèse, Québec	Auto Workers Loc. 1163 (CLC)	3,100	18,600	21,700	Aug. 31 Sept. 10	Suspensions and firings — Terminated by mutual agreement —
	Hawker Siddeley Canada, Halifax, N.S.	Marine Workers Loc. 1 (CLC)	1,100	11,000	11,000	Sept. 17	AIB rollback of wage increase —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary) (Cont'd)

Industry	Employer	Union	Workers Involved	Duration in Man-Days		Starting Date	Major Issues
Location				Sept.	Accu- mulated	Termination Date	Result
Griffin Steel Foundries, Winnipeg, Manitoba	Industrial Mechanical Wkrs. Loc. 1 (CCU)	145	1,310	1,310	Sept. 20	Wages, fringe benefits —	
Bendix Heavy Vehicle Systems, London, Ont.	Auto Workers Loc. 27 (CLC)	550	1,650	1,650	Sept. 27 Sept. 30	AIB rollback of wage increase — Not reported —	
ELECTRICAL PRODUCTS							
A. Bélanger Ltée, Montmagny, Québec	CNTU	400	8,400	44,400	Apr. 26	Wages, fringes, other issues —	
Great Lakes Carbon, Berthierville, Quebec	Fed'n of Metal Trades Unions (CNTU)	187	4,010	14,550	June 14	Wages, fringe benefits —	
Fruehauf Trailor, Mississauga, Ontario	Steelworkers Loc. 5788 (AFL-CIO/CLC)	243	1,620	10,660	July 10 Sept. 11	Wages — Terminated by mutual agreement	
Enheat Ltd., Amherst, N.S.	Steelworkers Loc. 4883, 6874, 2231 (AFL-CIO/CLC)	240	5,040	13,920	July 12 Sept. 30	Wages, other issues — Terminated by mutual agreement —	
Enheat Ltd., Sackville, N.B.	Steelworkers Loc. 8202 (AFL-CIO/CLC)	120	2,520	5,880	July 22	Wages —	
General Electric, Trenton, Ontario	U.E. Loc. 509 (CLC)	200	430	430	Sept. 01 Sept. 07	Seniority grievance — Not reported —	
NON-METALLIC MINERAL PRODUCTS							
Fiberglass Canada, Edmonton, Alberta	Oil Workers Loc. 9-728 (AFL-CIO/CLC)	265	1,860	5,040	Aug. 16 Sept. 13	Wages, fringe benefits — Terminated by mutual agreement —	
Compagnie Montco Ltée, Montréal, Québec	Steelworkers (AFL-CIO/CLC)	100	2,100	2,900	Aug. 23	Not reported —	
Dominion Glass, Redcliff, Alberta	Glass & Ceramic Wkrs. Loc. 201 (AFL-CIO/CLC)	307	2,410	2,410	Sept. 20	Wages, length of contract —	
CHEMICAL PRODUCTS							
C.I.L. Ltd., Nobel, Ontario	Steelworkers Loc. 13704 (AFL-CIO/CLC)	175	3,680	20,140	Apr. 15	Wages, other issues —	
Sico Inc., Quebec & Montreal, Quebec	Fed'n of Metal Trades Unions (CNTU)	150	3,150	13,650	May 24	Wages, vacations —	
MISCELLANEOUS MFRG.							
Sperry Gyroscope, Ottawa, Ontario	Auto Workers Loc. 641 (CLC)	125	630	1,190	Aug. 25 Sept. 09	Wages, other issues — Not reported —	
Construction							
P.E.I. Construction Ass'n, various locations, P.E.I.	IBEW Loc. 1432 (AFL-CIO/CLC)	110	2,310	15,840	Mar. 09	Dispute over hiring 2 men —	
Const. Ass'n Mgmt Labour Bureau, various locations, N.S.	Plumbers Loc. 56, 244 (AFL-CIO/CLC)	861	16,530	56,090	June 21	Wages —	

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary) (Cont'd)

Industry	Employer	Workers Involved	Duration in Man-Days		Starting Date	Major Issues
			Sept.	Accumulated	Termination Date	
Location	Union					Result
N.B. Mechanical Const. Ass'n., province wide, N.B.	Plumbers various locs. (AFL-CIO/CLC)	1,500	7,500	15,010	July 22 Sept. 08	Slow negotiations — Return of workers —
Const. Lab. Relations Ass'n., Vancouver, B.C.	Plumbers Loc. 170 (AFL-CIO/CLC)	200	3,400	5,000	Aug. 20	Parking, meal arrangements — Not reported —
Employers Const. Ass'n. of N.B., various locations, N.B.	IBEW various locals (AFL-CIO/CLC)	560	560	2,240	Aug. 27 Sept. 02	Wages — Not reported —
Const. Labour Relations Ass'n., province wide, B.C.	Various unions	26,300	306,100	306,100	Sept. 03	Lockout after plumbers strike —
Bechtel Canada, Corunna, Ontario	Labourers Loc. 1089 & Cement Workers Loc. 915 (AFL-CIO/CLC)	1,500	6,000	6,000	Sept. 27	Jurisdictional dispute —
Ass'n of Building Contractors, province wide, Quebec	QFL	60,000	750,000	750,000	Sept. 07	Wages, other issues —
Several Contractors of S.P.C., Estevan, Sask.	Various const. unions	276	670	670	Sept. 29	Jurisdictional dispute —

Transportation & Utilities

TRANSPORTATION

Commission de Transport, Quebec, Quebec	Synd. des employés de garages (CSD)	140	3,000	8,500	July 08	Wages —
Metropolitain Sud Inc., Longueuil, Quebec	Public Service Fed'n (CNTU)	110	2,360	6,690	July 08	Wages —
Metropolitain Provincial Inc., Montreal, Quebec	Public Service Fed'n (CNTU)	150	3,210	7,490	July 23	Wages —
Maritime Employers' Ass'n., Halifax, N.S.	ILA Loc. 269, 1825 (AFL-CIO/CLC)	650	13,930	25,070	Aug. 08	Dispatch rules —
Fred Sowchuk Trucking, Sparwood, B.C.	Mine Workers Dist. 18 Loc. 7292 (CLC)	100	300	500	Aug. 30 Sept. 06	Wages — Not reported —
Eastern Provincial Airways, Gander, Nfld.	Airline Empls. Ass'n (CLC)	105	1,880	1,990	Aug. 31 Sept. 26	Wages, hours, other issues —
Voyageur Bus, Montreal, Quebec	CNTU	296	2,110	2,110	Sept. 03 Sept. 13	Respecting picket lines of PS — Return of employees —
Chapman Transport, province wide, B.C.	Teamsters Loc. 213 (Ind)	236	2,830	2,830	Sept. 15	Wages —
B.C. Railway, Prince George, other points, B.C.	Maintenance of Way, various locals (AFL-CIO/CLC)	130	130	130	Sept. 20 Sept. 21	AIB rejected contract — Not reported —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, SEPT., 1976 (Preliminary) (Concl'd)

Industry			Duration in Man-Days		Starting Date	
Employer		Workers Involved	Sept.	Accu- mulated	Termi- nation Date	Major Issues
Location	Union					Result
B.C. Railway, various points, B.C.	Can. Union of Transp. Empls. Loc. 1 (Ind)	170	340	340	Sept. 21 Sept. 23	AIB rejected contract — Not reported —
OC Transpo, Ottawa, Ontario	Transit Wkrs. Loc. 279 (AFL-CIO/CLC)	1,275	2,730	2,730	Sept. 24	Wages, other issues — Terminated by mutual agreement —
COMMUNICATION						
Canadian National Telegraphs, Gander, Newfoundland	Railway, Transport & General Wkrs. (CLC)	120	2,520	18,280	Feb. 28	Dispute over shift scheduling —
POWER, GAS, WATER						
B.C. Hydro, Province wide, B.C.	Office Empls. Loc. 378 (AFL-CIO/CLC)	569	1,710	17,900	July 06 Sept. 07	Wages — Not reported —
Trade						
K-Mart Stores, Windsor, Ontario	Food Workers Loc. 725 (AFL-CIO/CLC)	200	4,330	16,000	June 09	Wages, union shop —
Kresge Co., Mississauga, Ontario	Teamsters Loc. 419 (Ind)	100	2,170	6,750	June 26	Contract language —
Macdonalds & Empress Foods, Vancouver & Victoria, B.C.	Retail Wholesale Loc. 580 (AFL-CIO/CLC)	800	16,800	28,000	Aug. 12	Right to strike —
Provigain Ltée (14 magasins), Saguenay Area, Quebec	Commerce Fed'n (CNTU)	243	1,010	1,010	Sept. 07	Wages — Not reported —
Service						
EDUCATION						
Université de Laval, Québec, Québec	Synd. des prof. de univ. de Laval	1,000	18,000	18,000	Sept. 07	Wages, other issues —
Simon Fraser University, Burnaby, B.C.	Various unions	731	12,430	12,430	Sept. 08	Wages, reduced work week —
Hamilton Board of Education, Hamilton, Ontario	Office & Profes- sional Loc. 343 (AFL-CIO/CLC)	100	400	400	Sept. 27	Wages, fringe benefits —
University of Windsor, Windsor, Ontario	Public Empls. Loc. 1001 (CLC)	224	900	900	Sept. 27	Not reported —
Université du Québec, various locations, Quebec	Nat. Fed. of Que. Teachers (CNTU)	700	700	700	Sept. 28 Sept. 29	Slow negotiations — Return of professors —
HEALTH & WELFARE						
N.S. Ass'n of Health Orgs., various locations, N.S.	Public Empls. various locs. (CLC)	930	4,030	39,030	July 12 Sept. 07	Wages — Terminated by mutual agreement —

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1973 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-1/1973.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; quality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States; the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 97 tables of statistics on many aspects of women's

participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31, 1967. (Changes in workmen's compensation laws are published yearly and are available free on request). (English or French). Price \$1.00. Cat. No. L34-1969.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue no. L34-23/1976

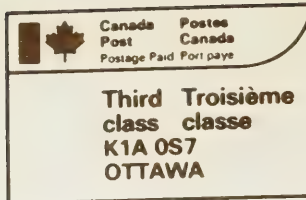
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 500 selected holdings of Technical Library. Accident Prevention Division, 1974. Free.

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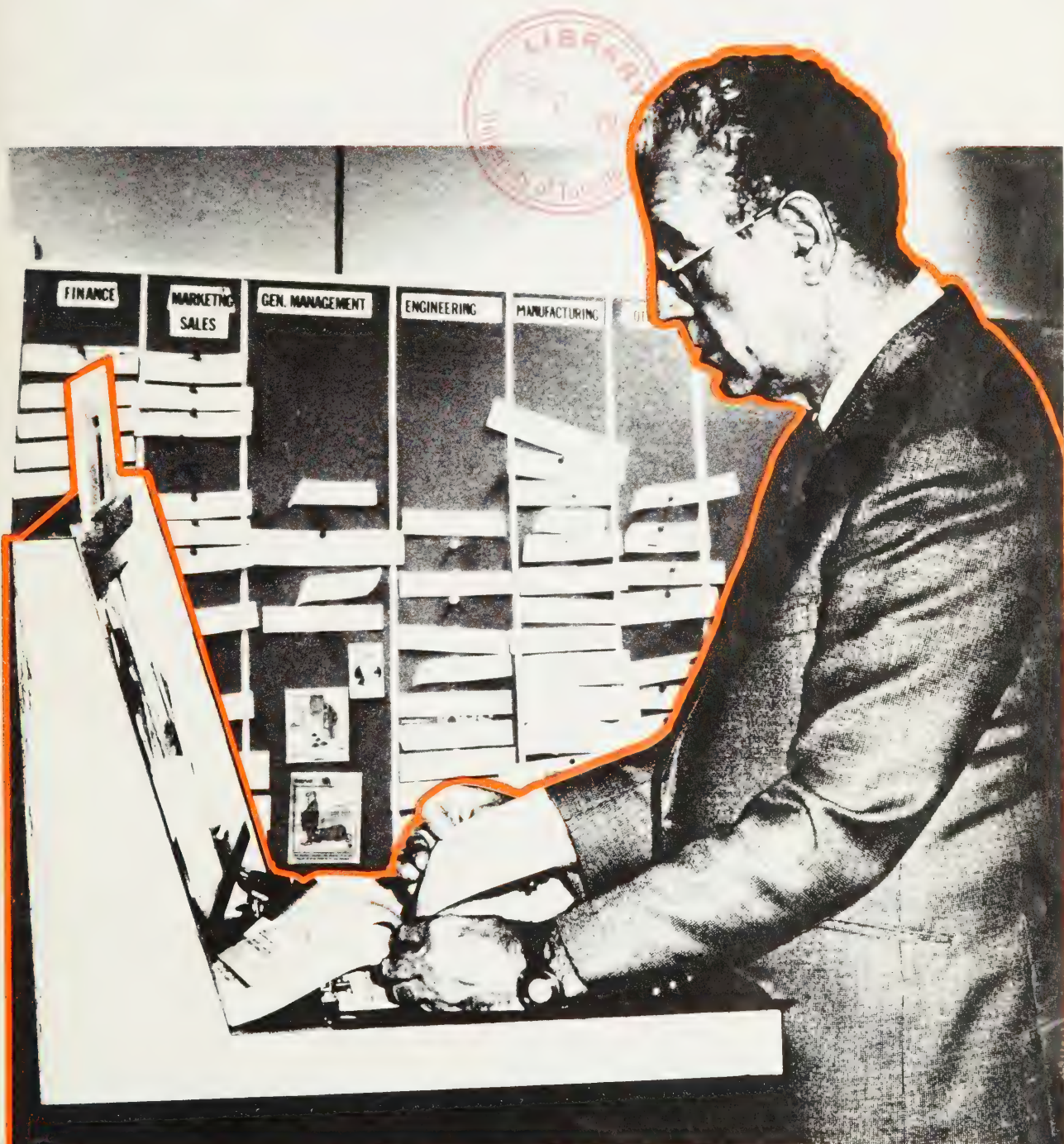


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the labour gazette

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Unemployed and over 40 - the new minority

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Canada**

**Travail
Canada**

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PEOPLE

Couture named Quebec labour minister

Jacques Couture, member of the Quebec National Assembly for Saint Henri, has been appointed labour minister in the province's Parti-Québécois government. Couture, 47, was a community organizer for a Montreal social service alliance before his election in the November, 1976, provincial vote. He began his career in Saint Henri as a worker-priest in 1963 — working as a truck driver and factory labourer.

EMPLOYMENT

ECC proposes UIC incentives to migration

A study released by the Economic Council of Canada proposes an amendment to the Unemployment Insurance Act to remove an existing "disincentive" to worker migration from depressed to more prosperous regions. Under the current Act, the higher the unemployment rate is in a particular region, the shorter the period in which a person builds up eligibility for unemployment benefits and the longer the period before a claim is exhausted.

"This arrangement has a good

equity argument in its favour, but it also produces a disincentive effect," write E. Kenneth Grant and John Vanderkamp in the 124-page study entitled *The Economic Causes and Effects of Migration: Canada, 1965-71*. "There could presumably be a policy change to reduce this disincentive effect without altering the equity objective — i.e. by allowing migrants to continue to receive the same privileges for one year after the move to a low unemployment area."

To encourage such migration, the authors also suggest loans to help workers finance the move, repayable only if the worker finds a job, and provision of more labour market information about other regions by Canada Manpower Centres. Their analysis of Unemployment Insurance Commission data discloses that workers in Canada are generally slow to respond to regional disparities in income and employment conditions by migrating to more prosperous areas. They also find that migration declines during bad national economic conditions. The authors also point out that, in the short run, the migration of unemployed workers from a high-unemployment region can add to regional disparity because they no longer purchase locally-produced goods and services.

The study contains the usual disclaimer that the researchers' views are not necessarily shared by the Economic Council of Canada.

Dismal job prospects for professionals in 1977

Little improvement can be expected this year in the current dismal employment prospects for executives and professionals, according to the Technical Service Council. N.A. Macdougall, general manager of the council, blamed depressed export markets and slow growth of consumer and business spending.

The council conducts quarterly surveys of 1,500 employers across Canada. It found that job openings for executives and professionals increased by about 4 per cent during the last quarter of 1976, but there were 18 per cent fewer openings at the end of 1976 than at the end of 1975. Nevertheless, the survey found shortages in the supply of petroleum engineers, junior accountants, junior and intermediate sales engineers and junior and intermediate plant engineers. Its studies of job prospects for the 1977 graduating class of Canadian universities suggest they will be adequate for graduates in commerce and engineering — as long as they do not insist on working in specialized fields or near their home communities.

New five-year strategy announced

The federal department of manpower and immigration plans a five-year strategy intended to provide employment opportunities and complement intended changes in the Unemployment Insurance program. An initial phase, costing about \$350 million in 1977-78 and involving at least 135,000 people, will help provide work for unemployed Canadians, particularly young people.

An amendment to the Unemployment Insurance Act will be sought

to permit unemployment insurance recipients to receive income maintenance, not only while taking occupational training courses, but also when participating in some direct employment programs. "Amendments to the UI Act will also be proposed to enable UI funds to be used, again experimentally, to compensate partly for reduced employee wages in cases where employers and employees agree to reduce the hours of work rather than lay off some workers during short-term production cutbacks," a departmental announcement said.

The "largest single element" of the strategy will be Canada Works, a year-round job creation program costing about \$200 million in 1977-78 and providing work for 61,000 Canadians, most of them in high unemployment areas. Another part of the program, Young Canada Works, will enable young people to obtain experience in the labour market and prepare themselves for their future careers or education.

The announcement also said the federal government will work with the provinces to develop co-operative education programs in which students combine school and work to help them in the transition from school to the labour market.

EMPLOYEE COMPENSATION

Montreal survey reveals male-female gap widening

A survey of 214 employees in the Montreal area indicates that the wage gap between hourly-paid men and women widened considerably during the 12 months ended last June. At mid-year 1976, men were earning an average 42.7 per

cent more than women. The difference had been 25.9 per cent a year earlier. The men's hourly wage averaged \$5.25 an hour compared with \$4.38 a year previously and the women's \$3.68, up from \$3.48. In other words, the differential had widened to \$1.57 from 90 cents. The survey was conducted by the Montreal Board of Trade, la Chambre de commerce (Montreal), and the Canadian Manufacturers' Association (Montreal).

U.S. male-female differential widens

The wage differential between men and women almost doubled in the United States in 20 years. Women who held full-time jobs in 1974 earned only 57 cents for every dollar earned by men, according to the women's bureau of the labor department's employment standards administration.

The bureau also said that in constant dollars — taking inflation into account — working men earned an average \$1,911 more than women in 1955. By 1974, they were earning \$3,433 more — a 79-per-cent difference. Much of the gap could be explained only by a "maximum measure of discrimination," the bureau's report added. It cited two major factors contributing to the increased differential: Although "increasing numbers" of women are getting better paid jobs, "there is still a predominance of women in lower-status occupations of a traditional nature which provide limited opportunity for advancement."

The "dynamic" rise in women's labour participation has resulted in a larger proportion of women "who are in or near the entry level." Many women just starting work had to take low-paying beginning jobs, while most men had more years of employment experience.

UAW's new contract with "Big Three"

The United Auto Workers union has negotiated 13 additional days of paid time off for its members who work for the "Big Three" of the Canadian auto industry — Ford Motor Co. of Canada Ltd., Chrysler Canada Ltd. and General Motors Ltd. The agreements not only move the workers one small step toward a four-day week but also set new standards for health-care benefits, which will be extended to retired employees. The dental care plan will be improved, and the cost of hearing aids will be covered for both employees and pensioners.

The reduced work-time, to be phased in over the three-year agreements, includes a new paid statutory holiday — starting July 3, 1978 — to provide a four-day Dominion Day holiday weekend. The wage settlement includes a 3-per-cent annual increase and a cost of living escalator based on 1 cent for each 0.3 change in a composite Canadian-United States consumer price index. In addition, there is a first-year increase of 20 cents an hour for production workers. Skilled tradesmen will get not only that 20 cents but an additional 20 cents in two stages over two years. The Canadian negotiations were completed with only two short strikes — a three-day walkout at Ford and one at GM that lasted only a few hours.

PENSIONS

CPP premiums increase in 1977

Maximum annual deductions from employee earnings for the Canada Pension Plan will rise to \$151.20 in 1977 from \$135 in 1976. Maximum

employers' contributions also rise to \$151.20 for each employee covered, while self-employed contributors will pay a maximum of \$302.40.

Maximum contributions are based on a rate of 1.8 per cent of pensionable earnings deducted from paycheques. For self-employed contributors that rate is 3.6 per cent. The maximum amount of earnings subject to pension contributions is \$8,400 this year. Maximum pensionable earnings rise to \$9,300 but there is a basic annual exemption of \$900.

Pension plans often unfair to women

Company pension plans can discriminate against women employees despite Ontario's

human rights legislation, according to James Hillhouse, a Toronto pension consultant. One obvious reason, he points out, is that pensions are related to salary, which is often lower for women. Another is that different pensions available to various categories of employees tend to split along male-female lines, such as managerial and clerical.

Hillhouse, who made these assertions in an address to the Toronto Business and Professional Women's Club, said human rights legislation may help in the future: "Down the road, men and women with equal salary and service history will receive identical retirement pensions, but in the meantime we are going to be faced with the prospect of women retiring with relatively inadequate pensions."

provinces outlawing such on-the-job discrimination.

That message was brought to a seminar at McGill University in January by Sylva Gelber, special adviser to the federal deputy minister of labour and a former head of the labour department's women's bureau.

She said one reason is that women are afraid to use the legislation. Most women work because they need the money and are afraid a complaint "will jeopardize their position, not improve it." That is why governments have had relatively few complaints about unequal pay despite equal work, she argued.

U.S. female PhDs paid less than men

Women in the United States with doctorates in the sciences and engineering are paid less than men, a survey by the National Academy of Sciences found. The median 1975 salary for the women scientists was \$19,000 a year compared with \$23,500 for male PhDs, while the median salary for the engineers was \$21,000, compared with \$25,000 for men. The women's unemployment rate was also higher.

DISCRIMINATION

Status of women council criticizes federal gov't.

The Advisory Council on the Status of Women says that federal government policy directives on job opportunities achieved little improvement in the status of its own women employees during 1975 — International Women's Year. In an analysis of public service employment statistics, the council noted that the wage differential between male and female public servants widened, the concentration of women in the lower-paid administrative support positions increased, and the number of women in senior executive positions decreased during the year. "It is evident that government policy directives made at that time have not been effective," the council said. "The position of women in the public service in 1975 was in many ways worse than before."

Marc Lalonde, the minister responsible for the status of women, commented that the council had been premature in expecting the statistics to change so quickly. He said the situation had improved since 1975, and cited statistics covering the January-November period of 1976. They showed 59 per cent of women in the administrative support category in the 1976 period, down from 65 per cent in 1975 and close to 67 per cent in 1972.

Many women paid less

Canadian women are still paid less than their male fellow employees despite legislation in most

UNIONS

1974 report on number of organized workers

About 32.1 per cent of unionized employees in Canada worked in manufacturing, according to Statistics Canada's report for 1974 under the Corporations and Labour Unions Returns Act.

Labour organizations reported a total membership of 2,682,832 at the end of 1974, a 4-per-cent increase over 1973. Of these, 1,486,638, or 55.4 per cent, were in 81 international unions; 798,943, or 29.8 per cent, in 63 national unions; and 397,251, or 14.8 per cent, in federal and provincial government organizations.

The service industries employed 18 per cent of union members, and next in order were public administration, 15.5 per cent; transportation, 14.7 per cent; and construction, 10.7 per cent. In contrast, mines and quarries, trade, forestry and finance together had only 7.3 per cent of total union membership, even though they had more paid workers than transportation and public administration combined.

The estimated number of wage and salaried workers, by industry, with the number and percentage organized in brackets, were — manufacturing, 1,996,000 (860,527, 43.8 per cent); transportation, 797,000 (394,346, 49.5 per cent); public administration, 590,000 (415,420, 70.4 per cent); construction, 454,000 (285,802, 69.2 per cent); service industries, 2,184,000 (483,607, 22.1 per cent).

Queen's IR Centre report

Many of the more important recent union developments in Canada are highlighted in a 68-page report published by Queen's University Industrial Relations Centre. The report was originally prepared as part of the 1976 issue of the centre's annual volume, *The Current Industrial Scene in Canada*, but the centre decided to publish it separately "because of the dearth of material about contemporary trade union developments in Canada."

Written by W.D. Wood, director of the centre, the report is entitled *The Current Trade Union Scene, Patterns and Trends*. It contains brief sections on trends in union membership, mergers, Canadian autonomy, Canadian Labour Congress and provincial federation of labour activities, women and white-collar organization, as well as several statistical tables. It also includes several references to U.S. developments of particular relevance to Canada. The report is available from the Queen's centre at \$5 a copy.

EDUCATION

McMaster receives grant for labour studies

The Ontario ministry of labour has announced a \$50,000 grant to McMaster University to help cover the costs of its labour studies program for the 1976-77 academic year. The program was launched in July 1976, with the appointment of Harry Waisglass as director. Waisglass is a former director-general of research and development for the Canada Department of Labour.

He describes the program as the first university-based program in Canada offering specialized services "to meet the continuing education needs of the full-time staff of trade unions." It results from a two year preparatory study by a joint committee representing the university, the Canadian Labour Congress and the Ontario Federation of Labour.

Vocational association meeting in Sackville

The Canadian Vocational Association will hold its 14th

annual convention June 1, 2 and 3 at Mount Allison University, Sackville, New Brunswick. The objectives of the association are to promote and develop Canada's labour force through formal training programs and promoting research on problems related to education, training and employment. It is also dedicated to developing standards of training and certification on a Canada-wide basis for all occupations. For more information, contact: Don R. Daley, New Brunswick Community College, Box 6000, 736 King, Fredericton, N.B. E3B 5H1.

Employers deem high school graduates less proficient in "3Rs"

A national survey of employers by the Canadian Chamber of Commerce found the "overwhelming" opinion that students now graduating from secondary schools have less proficiency in reading, writing and arithmetic than graduates of three or five years ago. The chamber received 554 replies — a 17.5 per cent response — from 3,170 employers it surveyed last year. They included commercial and industrial enterprises, placement and personnel officers, lawyers, architects and consulting engineers.

About 75 per cent of respondents felt current graduates could not write as well as those of a few years ago and 46 per cent said they could not read as well. About 52 per cent found a decline in graduates' ability to perform simple arithmetic. Moreover, 95 per cent of the respondents said they would prefer to employ graduates competent in the "3Rs", and more than 70 per cent said they were willing to pay an average 13-per-cent premium to get them. 19

Unemployed and over forty — the new minority

by Roy LaBerge

Canadians are slowly becoming aware of a new social minority in their ranks, made up of tens of thousands of middle-aged people looking for work. These unemployed range from blue-collar workers displaced by technological change to upper- and middle-level management personnel displaced by organizational restructuring or "executive obsolescence." They face a common hurdle — reluctance by employers to hire people over 40 years old.

There has been a great deal of public concern about the high unemployment rates of workers under 24 and the financial woes of retired people over 65, but the problems of workers over 40 and under 65 have gone almost unnoticed. Discrimination against them does exist in hiring practices in Canada, but there has been little research into it by academics or governments. Human rights advocates have devoted most of their attention to other social minorities.

One indication of the difficult time older workers face in the Canadian labour market appears in the Economic Council of Canada study, published in 1976 under the title *People and Jobs*.

The average worker 45 and over is unemployed for a much longer period of time than the average younger worker, and this period has been getting longer. In 1966, it was just over 12 weeks; by 1973, it had grown steadily to almost 15

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weeks. The comparable figures for workers under 24 were 9 weeks in 1966 and almost 12 weeks in 1973.

A 1974 survey of the major industrialized countries by the International Labour Organization found that unemployed people over 45 can count on waiting four times as long for a new job as workers under 20, and that people over 50 make up two thirds of those who have been unemployed for more than six months. Yet the same study demonstrated that older workers have a better record of job stability in terms of the length of time they remain with the same employer.

One British survey found that every second managerial or administrative job advertised in a major daily newspaper was closed to people 40 and over.

Robert Slater, a British social psychologist, has suggested that

Unemployed people over 45 can count on waiting four times as long for a new job as workers under 20

militant older workers may one day band together to focus attention on age discrimination in the same way that women's liberation movements have drawn attention to discrimination based on sex.

The ILO is, of course, seeking international action to end discrimination of all kinds in the labour market, including age. The U.S. outlawed age discrimination in 1967. So did Costa Rica in 1970. So have most Canadian jurisdictions in their human rights legislation, although workers 65 and over have no such legal protection in Canada.

Legislation alone is not enough. One reason is that discrimination based on age is frequently more difficult to prove than other forms of discrimination. Another is that such legislation, to be effective, must be supported by a change in attitude — an end to the existing stereotypes about older workers.

As long ago as 1953, a United States authority in the relatively new field of gerontology listed several of the stereotype-based reasons employers give for not hiring older workers, and refuted each of them. The employers' reasons and their refutations by Milton L. Barron were first published in the *American Journal of Social Gerontology and Geriatrics*, and later as part of a book, *The Aging American*:

- *Older workers are less productive.* Barron says the facts do not bear out this contention.

Surveys generally show that the quantity and quality of work by older employees are equal to or superior to the work of younger workers.

- *They are frequently absent.* In reply, Barron cites a 1956 survey by the U.S. labor department that found the average attendance record of older workers to be 20 per cent better than that of younger ones.
- *They are involved in more accidents.* The same survey showed workers 45 and over had 2.5 per cent fewer disabling injuries and 25 per cent fewer non-disabling injuries.
- *They do not stay on the payroll long enough to justify hiring expenses.* Barron contends that all available research indicates that separation rates for older workers are much lower than for younger employees.
- *They do not have needed job skills.* On the contrary, Barron replies, "the facts show that the older worker is likely to possess more skills, training and know-how than younger job hunters."
- *They are inflexible and unimaginative and have trouble getting along with younger workers.* This stereotype comes in for Barron's heaviest criticism of all: "It is hard to imagine a generalization more susceptible to contradiction by the individual case than this one. The practical experience of many companies indicates that this factor is seriously over-rated."
- *It is too costly to provide them with adequate group insurance or pension plans.* Barron contends that this "easy generalization" is rarely based on careful scrutiny of the company plan. "The costs depend on the nature of the plan"

...pension costs can be a real factor in motivating some companies not to hire older workers

he points out, and they can vary. Nevertheless, he admits that pension costs can be a real factor in motivating some companies not to hire older workers, and he claims some insurance companies encourage employers not to hire them:

"If a company is committed to paying a pension at a fixed age, such as 65, it will probably refrain from hiring people 50 or 55 years of age. If it hires these people, the company must then set aside enough money to pay them pensions comparable to those going to employees whose service in the company has extended over a greater number of years."

So pension plans can, by their very economics, discriminate against the hiring of older workers. Barron

also contends that insurance companies "warn employers that to hire men over 45 years of age and women over 40, or to retain employers over 65, would require the companies to request payment of higher premiums" for disability and accident insurance.

Barron believes that the older worker is at a disadvantage in all the world's labour markets — East or West, socialist or free enterprise: "There is no evidence available that indicates that anywhere in the world employers generally are free from prejudice against the hiring of older workers. On the other hand, clear and unmistakable evidence exists that even in areas of labour shortages, employers are reluctant to hire older workers."

One Canadian organization that is fighting against the older worker stereotypes is Forty-Plus of Canada, a Toronto-based counselling, research and employment agency. Started in 1971, it found new careers for more than 700 executives aged over 40 in its first five years of operation.

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"Was it wine, women or over-qualified?"

...the ability to adapt is not necessarily linked to chronological age

In interviews with Ted Weinstein, a former information officer with the Canada Department of Labour, three of the people associated with Forty-Plus of Canada said employers who favour young workers over more mature ones may be making a big mistake.

Jean Butler, executive director of the organization, Peter Moon, a Toronto management consultant, and Robert F. Morrison of the University of Toronto's Faculty of Management Study, have found discrimination against middle-aged workers in company hiring practices, but they say it is not as prevalent as is generally believed, and that it can be overcome.

Moon is highly critical of the way most employee selection is carried out. "If you got into a selection audit and found how judgments are made, who makes them, and how information is used and misused, it would make your hair stand on end," he contends.

He says the selection people who interview applicants often ask themselves such questions as: Is he likely to stay? Will his wife fit in? Is he of the right religion? Is he a company man? "But their first and foremost concern should be: Can he do the job," Moon argues, "because that is what the company will be paying him for."

Selection people often err by regarding a number of previous careers as an indicator of instability. "It may be, in the view of some personnel people, but they are not always right," he adds. "Too many employers permit

the personnel office to select their staff members. The care and attention given to selection procedures and standards are minimal."

Moon points to turnover rates as one indication of the success of a firm's hiring practices: "Why does it take two, four or even six employees to keep some jobs staffed for one year? What does that say about the selection process, and about the reliability of the selection interview? "By letting this happen, senior managers are permitting the continuing attrition and squandering of human resources."

Instead of a simple interview procedure, Moon advocates a series of at least four different types of assessment, "concentrating attention on important dimensions of the job and the capabilities of the candidates." These assessments should not be left up to the personnel office. Instead, line managers would be trained for them, and the screening procedures should be related realistically to the requirements of the position, not to "artificial barriers" such as age.

Moon's view draws support from a 16-year study of hiring criteria headed by Herbert M. Greenberg of Princeton, N.J. Greenberg found that "the myth that younger people would have more drive, more energy, would be more open or have more growth potential simply does not hold up. What counts are the dynamics within a human being that either make him or her appropriate for a particular job."

The Forty-Plus organization is also undertaking a major research project on the ability of executives over 40 to adapt to change.

Robert F. Morrison of the Univer-

sity of Toronto who is heading the project, says little empirical data exist about middle-aged people, although developmental and social psychologists, along with educators, have studied children and young adults, and the discipline of gerontology has conducted research on aging. He agrees with Barron that public attitudes toward middle-aged people create problems. "Such attitudes have no basis in reality but are part of our society's mystique of youth."

How they look and how they behave plays a large part in their job search

Morrison's preliminary findings indicate that ability to adapt is not necessarily linked to chronological age but to such factors as self-esteem, personality autonomy and ability to cope with mental and physical stress — "and these factors do not discriminate according to age."

The Canadian Forty-Plus was started by Jean Butler soon after the death of her husband and after a visit to New York City to study the Forty-Plus organization in the U.S. Butler says in her battle against age discrimination she has found it easier to find new employment for younger middle-aged executives than for older ones.

"Difficulty seems to start at age 56," she points out. "It is frankly very tough for the 60 to 64-year-old, but not impossible. For example, we have seen the situation where a company has an heir-elect not quite ready to take over, so there is a berth for a 60-year-old who wants to work for only another few years. Or there

...most job seekers underestimate the time they will need to find a suitable job

are opportunities for project management. I think of a case where a company wanted some help to get its 'management by objectives' program off the ground — a perfect assignment for the older man."

Butler says her advice to older people on overcoming employer discrimination includes tips on how to dress and act: "How they look and how they behave plays a large part in their job search. We all know the lithe 50-year-old who keeps fit and dresses with some flair and style. He is alert and walks with a certain bounce. He enjoys working, and has realistic goals for himself for this third quarter of his life. Then we know the man — often younger — who looks wan and grey. He projects resignation. He simply 'seeks a job.' For him, the going is tough."

For the over 40s, the job search can take a long time — up to six months or even more. To Jean Butler, this is not a reflection on the person's skills but on many other factors, including the job market and employers' hiring methods. In some firms, head offices in the U.S. have to be part of the process, and this can lengthen the time.

Colin P. Davis, vice-president of Public and Industrial Relations Ltd. of Toronto and a member of the Forty-Plus advisory board, says most job seekers underestimate the time they will need to find a suitable job. Davis says one of the first tasks of the job seeker over 40 should be to review his

personal and family finances and establish a budget covering a 12-month period. He says the entire family should be involved in this review: "One man I know just could not bring himself to tell his wife that he had been fired. So for several months he continued to leave the house every morning, complete with brief-case, and to return at the usual time in the evening. Meanwhile, his wife maintained her normal spending patterns — lunch with the girls at the club, entertaining at home, and a hefty bill for weekly groceries and the cleaning lady.

"Eventually, of course, he had to tell her, and was surprised to find that she would really prefer to be working again, and suggested that he might be happier doing something else, even if it meant less money."

Davis finds many job seekers are handicapped because their discharge has left them in a "negative" frame of mind: "One result of being fired is often a

...positive attitudes toward older workers are becoming more common in Canada

combination of anger, frustration and confusion," he observes. "It is only natural to be angry at the guy who fired you, but it will not help you if you keep telling everybody that the guy is a raving lunatic and ought to be fired himself. If you have been unfairly treated, especially in the area of severance pay, consult a lawyer. Otherwise, stop complaining and get on with the business of finding another job."

Davis also advises unemployed managers to develop a "personal

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"Don't look on it as forced retirement. Look on it as permanently awaiting reassignment."

marketing plan." It should involve a "realistic assessment" of individual strengths, weaknesses, experience, abilities and over-all career and life-style objectives, as well as "a lot of thinking time, a knowledge of the career marketplace and considerable research" into specific companies and industries.

He observes that keen, disciplined marketing people, "who would never think of marketing a product without utilizing research and testing techniques" often jump into the job market with nothing "but a list of six contacts and a badly written resumé."

Davis also recommends that executive job seekers try to obtain interviews with people in senior positions, preferably company presidents, and avoid personnel departments.

He contends that the over-40s must try harder to beat potential discrimination based on age, but

there are indications that some employers are beginning to recognize stereotypes as mere myths. This realization is starting to happen at both executive and blue-collar levels. For example, security companies, which employ a large proportion of part-time workers, are finding that employees in the 40-and-over age bracket are usually more reliable than those under 24.

A 1974 U.S. survey found employers becoming "more aware" of the value of women over 45 as stable and dependable employees. Almost 27 per cent of 1,400 employees surveyed had worked for the same employer for at least three years, 20 per cent for five years and 9 per cent for 20 years or more.

Similar positive attitudes toward older workers are becoming more common in Canada, according to Art Tinker of the Edmonton branch of Technical Services Council. The Council, sponsored by 600 companies, publishes surveys of the Canadian labour market for professional and technical employees.

The Canadian Press news agency quotes Tinker as suggesting that the attitude of "hire the young, bright college graduate" is dying among many employers. One reason is a growing appreciation of older workers' attitudes toward work itself: "Basically the work ethic among younger workers isn't as effective as among older people. The older worker is more conscious of doing a good job and working harder."

Tinker says another reason for the changing attitude is the higher

turnover of younger employees: "Older people have problems relocating. If you hire someone who is 50, you know he is not going to leave. A young college graduate is bound to leave within three to five years. An older employee stays on, and the company has the value of his experience."

Tinker argues that older people usually have an easier time in supervisory jobs: "Their age commands respect, whereas young people sometimes have difficulty."

"A young college graduate is bound to leave within three to five years"

The CP report also quotes a spokesman for an Edmonton auto parts firm as saying there are some jobs that only older workers can do effectively: "The young ones are bored with warehouse routine. And you don't have to worry about the older workers getting out of bed in the morning. They are usually more concerned about their job."

A Toronto woman, 55-year-old Grace Levia, found her age was an advantage when she was hired for her first full-time job after 33 years as a housewife and mother. "I was hired by two men, both younger than I am," she told the Women's Bureau of the Ontario Ministry of Labour. "They obviously could see value in me — responsibility and maturity that appear to be absent in younger people. I've got 10

Most of them are experienced, reliable, and skilled workers with many years to give to new employers

years yet that I can give an employer."

Grace Levia entered the full-time labour force, at the Bank of Montreal's central computer complex four years after separating from her husband and enrolling as a part-time student in honours political science at the University of Toronto. Thousands more women in the 45 to 64 age group are looking for work outside the home as their children grow up and the demands of the housewife-mother role lessen.

Tens of thousands of other older workers of both sexes have been thrown onto the rapidly changing Canadian labour market by a combination of technological advances, organizational restructuring, government spending cutbacks and slow economic growth. Most of them are experienced, reliable and skilled workers with many years to give to new employers. The personnel recruiter who discriminates against them may be doing a disservice to his own employer.

Anyone who doubts that such discrimination exists should ask himself: How many people over 40 has my organization hired in the past two years? [19]

The B.C. Seagram dispute: one more example of bad labour relations

by George Dobie

The word is "mulish." It best describes negotiators for the Seagram Co. Ltd. and the Retail, Wholesale and Department Store Union (AFL-CIO-CLC). It is the reason that the second anniversary of the Seagram shutdown in B.C. is being "celebrated" this January on a lonely union picket line.

This dispute is one of the worst examples of obstinacy and perversity in B.C.'s labour relations history. First off, the company thought it could shut down the bottling section of its B.C. Distillery Co. subsidiary plant virtually without notice and right in the midst of tense contract negotiations. That set the stage for the two-year-old closure of the plant.

Later on, when a seemingly somewhat repentant management offered a couple of compromises, the union caught the terrible disease of intransigence. The result is that Seagram, the Montreal-based empire selling liquor around the world, does not sell any more in bountiful B.C. This may not matter much to a company of the vast proportions and dollar turnover of Seagram. It may not matter to British Columbians at all since they seem to be getting along buying other whiskies. It may not even matter too much to an international union the proportions of Retail, Wholesale that it will eventually lose a certification here. After all, Retail, Wholesale is tough. It has a reputation bigger than most

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unions hereabouts for driving a hard bargain.

But somehow, somewhere there must be a group of people or an institution that would conduct a deep investigation of this dispute, so that it can be held up as a shining example of how labour relations should *not* be conducted. Researchers and labour academics from some school should be assigned to take a penetrating look at the dispute and the multitude of questions surrounding the cause of the shutdown and the motives of the negotiators who let it happen.

For this occasion the best that can be produced is perhaps my own chronology that attempts to set up a framework, or draw a broad picture, of the in-fighting among the negotiators, and their heavy reliance on lawyer-power to try to win their labour relations battle.

This dispute is one of the worst examples of obstinacy and perversity in B.C.'s labour relations history

It seemed obvious from the beginning that the workers did not matter at all, although their union took the necessary and usual steps to pay for picket duty and find jobs for those who lost interest in ever getting back into the distillery.

Turn back the clock to the first week of March, 1975, when the announcement came from the management that the distillery in New Westminster, part of the Greater Vancouver Metro area, was closing the bottling section, putting 80 out of work. It was stated that Seagram would still make its whiskey here, but ship it back in barrels to bottling operations in the east, and then back again to appear in bottles on B.C. government liquor board shelves. It would be cheaper than what the company called its uneconomical, trouble-ridden bottling operation at the B.C. distillery. But the union would not buy it.

Retail, Wholesale's local 604 was right in the midst of bargaining for a new contract to replace the pact that was due to expire that May 31. The union responded with a charge that the company had instituted an illegal lockout, sent a complaint to that effect to the provincial labour relations board, but also set up a picket line. Naturally, another 80 production workers of the same union would not cross the picket line and the entire operation came to a halt.

The B.C. Federation of Labour, the provincial central labour body, was quick to come to the aid of one of its favorite affiliates. Within a matter of days, the federation called for a province-wide boycott of Seagram products by its 230,000 members of affiliated unions.

Ever since then, Seagram products have been "hot" in British Columbia and have not appeared on provincial liquor store shelves. Liquor store workers are members of the B.C. Government Employees Union, the federation's second largest affiliate, and are very alert regarding "hot" edicts. Just over a year ago they complained to the central body that they were becoming confused by the edicts covering more than 100 products of three companies, including Seagram, which were having labour problems at that time.

Within a month, the provincial labour board came down with a ruling that the distillery had carried out an illegal lockout, disclosing evidence that the 80 bottling plant workers had been terminated on 30 minutes' notice. Initially, the board merely sent the company a summary of its decision while the full document was being prepared. The company made a statement that its officials found the interim ruling to be ambiguous and it would wait for the full document before deciding whether to re-hire and re-open.

In a unanimous decision the labour board also found the unionists were involved in an illegal strike to protest the illegal lockout. Then the situation became even more entrenched when the union went to the B.C. Supreme Court seeking a contempt of court order be issued against Seagram for failing to obey the labour board. Within another month, the court rejected the union's case on grounds that the

It seemed obvious from the beginning that the workers did not matter at all

labour board order was not clearly defined.

Then a strange development occurred. Seagram announced it was willing to take back the production workers to start producing whiskey again but it would not re-open the bottling plant. Instead, the company said it would pay the bottling plant workers their weekly cheques for doing nothing. And it did.

All these workers had to do was report to a desk in a warehouse near the distillery offices every day between 9 a.m. and 10 a.m., and make a report they had not found other employment. Some wits dubbed it Seagram security, similar to unemployment insurance and welfare. Some called it a unique layoff-with-pay scheme. Still others saw it as a bid to stay in the good graces of the labour board at least until the company had time to plan its next course of action in regard to the board's ruling.

The board took only a matter of days to re-define its order to re-open the plant and re-hire the workers, adding a rider that the company stop paying the people for doing nothing. Seagram still did not respond, saying merely that it was studying further legal action. The company went so far as to ignore an appeal by the influential Employers' Council of B.C. to abide by the board order. Seagram was not a member of the council which co-ordinates big business' industrial relations in

this province, and saw no reason to change course at that point.

Unlike the first order which came about from a majority decision of three panelists, the re-defined order was unanimous. But Seagram still did not budge. It was the most defiant action of a company in B.C. labour history. Its next step in May — two months after the fight began — was to file a challenge in the Supreme Court against the constitutionality of the provincial labour code, which is administered by the labour board. The company challenged the protection the code gives itself from judicial review.

A faint sign of hope appeared when the parties agreed to return to the bargaining table while the court considered the question, but the talks went nowhere because the union insisted that the bottling plant be re-opened before anything else transpired.

The union lost the last battle before the courts

Two quick developments followed. The company was criticized by a Supreme Court judge for being "high-handed" in moving equipment out of the distillery while their case was being heard regarding the constitutional issue. The contract expired May 31, and two days later Retail, Wholesale put an official picket line around the plant. At that moment, the distillery stopped paying the laid-off workers their weekly net amounts for doing nothing. They were officially laid off. But the company made an offer to the union to open up a modified distilling and bottling operation with about 100 employees instead of the usual 160. The company announced the union rejected the

offer. The union never did comment, apparently treating the offer with disdain. Then an argument developed over whether it was a lockout or a strike. The company insisted it was a strike because it had never served lockout notice.

Researchers and labour academics...should be assigned to take a penetrating look at the dispute

On Friday, Sept. 5, Seagram vice-president Mel Griffith came West with an announcement that the union had turned down a final offer of an interim agreement, so the company had decided to officially close down the plant. Seagram said the union wanted a guaranteed level of employment that the company could not agree to. The union said it rejected the offer because the company made it in the form of an ultimatum.

The company held out some hope of getting its products back on the shelves of B.C. liquor stores, presumably bottled in plants in the East. But the union fired back that it would keep picketing the distillery and would start pressing for an international labour boycott of Seagram products.

The average British Columbian's biggest interest has centered on the fact that about 15 million gallons of whiskey have been caught behind the picket line. It is sitting there aging in barrels. In addition, 50,000 cases of bottled products are stacked up waiting to go nowhere. Seagram experts said there is practically no limit on how long the whiskey can remain in the barrels. Time does not hurt whiskey, they pointed out.

The union lost the last battle before the courts. In July last year the Supreme Court of B.C. threw out its application to find the company in contempt of court for not obeying the labour board order to re-open the bottling section. The court found the company had not breached the order because the union had previously authorized a strike. It noted that the union had served 72-hour strike notice two days before the order was issued.

The union briefly considered an appeal but dropped it because of the obvious fact that now there was a lawful strike-lockout in force and the federation's "hot" declaration was still effective. At one point, Retail, Wholesale became perturbed with the parent Canadian Labour Congress for not quickly following up the B.C. edict. Eventually the CLC came through with a national boycott but Seagram products are still getting onto the shelves of liquor outlets outside B.C.

In B.C. the boycott is really an order from the central labour body that union workers not handle Seagram products. Across the country, the national boycott by the CLC is more of a request that affiliated unionists refrain from purchasing Seagram products for their own use. It seemed obvious from the outset that the CLC could not force Seagram products off the shelves in provincial labour jurisdictions outside B.C. Anyway, Seagram announced that its net earnings went up to \$89.5 million for the fiscal year to July 31, 1976, an increase from \$74.1 million for the previous fiscal year. The B.C. "hot" edict and national boycott obviously were not having too much effect on one of the country's biggest corporations.

On Feb. 26, 1976, the size of the workforce was down to about half


Seagram went so far as to ignore an appeal by the influential Employers' Council of B.C. to abide by the board order

of the original 160 as the pickets "celebrated" the first anniversary of the shutdown. The number has been dwindling ever since, with the holdouts conducting their lonely vigil from a camper parked near the main gate of the plant.

Last summer, Seagram lawyers made some initial plans to apply to the provincial labour board to take advantage of an amendment to the provincial labour code, which would allow the board to invalidate a "hot" declaration.

The former New Democratic Party government had brought in the code in 1973 but remained in power only three years until the end of 1975. The new Social Credit government brought in the amendment.

Seagram won't explain why it has hesitated to go ahead with the application, although concern over how the Canadian labour movement might react is believed to be one reason.

The most recent development came on January 21 this year when the Retail, Wholesale union announced it had re-opened new discussions with Seagram's in an attempt to end the dispute. However, five days later, Seagram's announced that the property had been sold to Abacus Cities, a prominent Canadian real estate development company, and that the sale "put an end to any speculation that the plant would eventually re-open." 

Observations on Canada's compulsory grievance arbitration system

by C. Brian Williams

Canada's system of compulsory grievance arbitration is one of the more notable and indeed unique aspects of public policy in Canadian labour-management relations. The requirement that collective bargaining agreements provide not only for a grievance review system, but also that this process terminate in arbitration has been with us as public policy for more than 30 years. In addition, we are one of the few — if not the only country — that has committed itself so completely to such a system. However, more recently, some of our jurisdictions have moved to a greater degree of voluntarism in the way the system functions.

The July 1940 issue of *The Labour Gazette* mentions the tabling in the House of Commons of order-in-council PC 2685, which was "a declaration by the Government of Canada of principles for the avoidance of labour unrest and for the regulation of labour conditions during the War." Following a lengthy statement of the philosophy and principles in which the government addresses the issue of the quality of labour-management relations, the order-in-council lists some specific principles "for the avoidance of labour unrest during the War...."

Principle No. 8 is of particular interest. It reads as follows: "That every Collective Agreement should provide machinery for the settlement of disputes arising out of the Agreement, and for its renewal or revision, and that both parties

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should scrupulously observe the terms and conditions of any agreement into which they have entered." The introduction of this principle and the tabling of the order-in-council in the House of Commons on June 20, 1940, marks the commencement of Canada's commitment to the compulsory grievance arbitration process.

The events leading to the formulation and passage of PC 2685 date from June 13, 1940. As reported in several issues of *The Labour Gazette*, a conference was held on that date, attended by the prime minister, members of his cabinet, and representatives from the Canadian trade union movement to discuss the adoption of principles for the avoidance of labour unrest and the regulation of labour conditions during the War.

The events of these months and the orders-in-council that were produced are landmarks in the evolution of public policy in the Canadian labour-management

field. Their importance should be measured in two ways: From 1900 to 1940 the central focus in Canadian public policy was dispute settlement through the application of a compulsory conciliation system. Note that during this period little attention in public policy was given to the question of labour-management recognition except as an implicit issue within the process of compulsory conciliation and that no attention had been devoted in public policy to procedures for enforcing the collective agreement. The principles of PC 2685 and a regulatory system established to implement these principles under PC 1003 represented a distinct and abrupt turning point in Canadian public policy construction.

A review of the principles of PC 2685 and the regulations under PC 1003 clearly suggest that the bulk of the principles on regulations have their origins in earlier provisions adopted in the Wagner Act of 1935 and its predecessors in the United States. The central thrust of this legislation focused on the recognition and unfair labour practice issues. With respect to compulsory grievance arbitration, there are no such identifiable principles, although there is indeed evidence that such a system had been proposed and indeed discussed by Canada's public policy designers, and had earlier been discussed by the public policy designers in the state of Wisconsin.

It would appear that the source of

It would appear that the source of compulsory grievance arbitration principles is unknown

compulsory grievance arbitration principles is unknown. However, it is highly probable that it was born somewhere in the many discussions held throughout 1940. In the absence of evidence to support the possibility of a transference from a practice adopted elsewhere, it is probably not only unique but also represents a uniquely Canadian commitment to it.

The record supports the proposition that the commitment of public-policy designers in terms of origins and intent are at least as strong with respect to compulsory grievance arbitration as it was to compulsory conciliation. However, while the government, in support of that commitment, nourishes and

Our compulsory grievance arbitration has been the subject of considerable recent examination and...sharp criticism

provides a competent and effective conciliation service, there has not been — nor is there now — a similar commitment with respect to compulsory grievance arbitration. In fact, compulsory grievance arbitration has always been left to the private functioning and resources of the parties. This is where the problem starts. There is a case in support of direct government contribution to the successful functioning of our compulsory grievance arbitration system.

The latter has been the subject of considerable recent examination and in some cases sharp criticism that has emanated for the most part from the trade union movement, employees who have participated in the system, and to some extent from employers. While the nature of this criticism covers a broad spectrum of issues, the most frequently cited include the

Federal arbitration services

The Arbitration Services Unit was established in October 1975 within the Federal Mediation and Conciliation Service of Labour Canada, following the departmental reorganization program.

One of the major responsibilities of the unit is the processing of requests directed to the minister of labour for the appointment of arbitrators and arbitration board chairmen in grievance disputes when parties to a collective agreement are unable to agree on the selection of an arbitrator or a board chairman.

The Canada Labour Code requires that all differences between the parties arising during the term of a collective agreement must be resolved without stoppage of work. In most cases, the parties are able to resolve such differences without having to resort to arbitration. In the majority of cases where grievances do go to arbitration, the parties are able to agree on the choice of an arbitrator or arbitration board chairman. When, however, they can not agree on the choice and request that the minister of labour appoint someone to act, the Arbitration Services Unit studies these requests and recommends to the minister the names of qualified, independent arbitrators or arbitration board chairmen to hear the grievances. For this purpose, the unit maintains and periodically revises an extensive inventory of qualified arbitrators across Canada.

In assisting the labour minister to effect the appointment of arbitrators or arbitration board chairmen, Arbitration Services contacts and maintains contact with the parties to obtain any necessary information pertaining to particular grievances and the circumstances giving rise to requests for appointment. At the direction of the labour minister, arbitrators are contacted to determine their availability

and willingness to act in given cases suited to their qualifications and geographical location within the country.

Arbitrators or arbitration board chairmen appointed by the labour minister are asked to file a copy of their awards with Arbitration Services. Arbitration Services, moreover, has the responsibility of maintaining and systematically indexing all awards received from parties and arbitrators which have been rendered under the Canada Labour Code. Although the code does not contain a requirement that arbitral awards be filed, a significant number of awards rendered pursuant to it are in fact submitted to Arbitration Services on an ongoing basis, as a result of informal requests. Specific awards of special interest to parties and arbitrators are made available to them on request.

In addition, Arbitration Services publishes a monthly circular entitled the *Arbitration Services Reporter* (formerly called the *Labour Case Reporter*) containing summaries of recent and significant arbitral awards rendered pursuant to the Canada Labour Code, as well as a comprehensive list of — and pertinent information on — all awards rendered under the code and received in the unit during the previous month. Distribution of this publication, however, is limited to practicing arbitrators and governmental agencies across the country.

The unit plans, develops and implements a continuous research program into labour legislation, cases, policies and practices relating to the grievance arbitration process in Canada, with emphasis on the private sector under federal jurisdiction.

—Allan J. Torobin
Arbitration Services Unit, Labour Canada

cost of arbitration, delays in hearings and in issuing awards, and denial of access by a grievor to the grievance procedure.

It is clear that the establishment of the system as a public policy clearly intended that the arbitration process would be reasonable

Arbitration today is costly, slow-moving, and increasingly restrictive in terms of gaining access to it

in costs, speedy in its deliberations, and readily available. Arbitration today is costly, slow-moving, and increasingly restrictive in terms of gaining access to it. In practice, rather than a state of increasing confidence in the system, we are experiencing rapidly deteriorating confidence in it and no one seems to be prepared to do anything about it. Indeed, some have concluded that decreasing confidence in the grievance arbitration system has contributed to our higher levels of labour-management unrest and industrial uncertainty.

There is a vast difference in our responsibilities for stewardship in grievance arbitration voluntarily agreed to under the provisions of a collective agreement and a compulsory grievance arbitration system acting as an instrument of public policy in labour management relations. Probably, there is no greater measure of its consequences, and of the responsibilities we have to it than to remind ourselves that the quid pro quo of compulsory grievance arbitration is the prohibition on strikes or lockouts during the term of the collective agreement. Surely, a grievance arbitration system that has been devised to act as a substitute for the right to strike or lock out is deserving of more care and attention than we are currently showing it.

Those of us who are involved in any way in the grievance arbitration process have the responsibility not only to look closely at the propositions and arguments raised

above, but also, to ask those of similar mind to join with us in efforts to raise the credibility and quality of our grievance arbitration process to a level that meets or exceeds the public policy responsibilities placed upon it.

First and foremost, in order to obtain this credibility, the respective jurisdictions must acknowledge their responsibilities in providing stewardship in the administration of their grievance arbitration system. With respect to the kind and degree of government involvement, there is little difference between what is called for here and what has existed for years in our compulsory conciliation system. This role is appropriately one of providing funding and administrative support for the grievance arbitration system.

Second, Canada needs a private, nationwide regulatory body to provide assessment and acknowledgment of credentials of those claiming qualifications of a professional labour-management arbitrator; continuing labour-management arbitration education through seminars, workshops, and conferences; and control of entry into the profession by establishing minimum credentials and programs through which individuals can obtain them. Canada also needs to establish national, uniform arbitrator fee schedules and to assist the publication of all arbitration awards in Canada which would contribute to the development and codification of arbitration jurisprudence. An organization similar in structure and function to the National Academy of Arbitrators or the American Arbitration Association, both of which operate effectively in the United States, might be worth establishing.

Third, greater emphasis and concentration on labour-management

arbitration in the curriculums of all labour-management relations courses and programs — whether management or labour sponsored — is required to upgrade the proficiency of those who participate in the grievance arbitration process and to more fully identify issues and define the role of the grievance arbitration process as an instrument in the enforcement of the collective agreement.

...some have concluded that increasing lack of confidence in the grievance arbitration system has contributed to...labour-management unrest and industrial uncertainty

In summary, our system of compulsory grievance arbitration is in fact a proscription of public policy, our system for administering it should at least match its status and role as a major public policy requirement in Canadian labour-management relations. Without a more positive administrative framework, the system is not doing what its designers had hoped it would, particularly when viewed as a substitute for the public policy proscription against the right to strike during the term of the collective agreement.

The reputation and acceptance of our grievance arbitration process is rapidly deteriorating and it is incumbent on all of us associated with it to see that the trend is quickly and decisively reversed. Because our compulsory grievance arbitration system is a statement of public policy, we must look first to government for leadership and direction in this field. [9]

Does it matter who arbitrates? —a statistical analysis of arbitration awards in Ontario

by Jeffrey Gandz and Peter J. Warrian

Labour arbitration in Ontario is an adjudicatory process in which the arbitrator or arbitration board is expected to make an award on the basis of evidence presented, reasoned arguments and the language of the collective agreement. It is assumed to be an objective process.

The idea of arbitrator bias, however, is a recurrent theme in conversations with management personnel, union representatives and labour lawyers involved in arbitration. Often, those involved in arbitration to a significant extent will keep a "racing form" of impressions on the most frequently used arbitrators, and are guided by these impressions in their selection of arbitrators.

Not many people involved in arbitration appear to keep precise data on past cases, although some do keep such aggregated statistics. It is also probable that many are influenced by the outcome of one or two important (to them) cases which form the basis of their overall impressions.

Despite the frequent talk about arbitrator bias, and a few references in the literature, there has not been any data presented to indicate whether or not such a bias exists. The purpose of this short, preliminary study is to test the hypothesis that there is a systematic bias among arbitrators, with certain arbitrators consis-

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tently favouring one side or the other.

The sample for this study consisted of all awards filed with the Arbitration Commission in Ontario in the period January 1973 to June 1976 which were summarized in the Commission's monthly bulletins; a particular case may have contained more than one award if multiple issues were involved. The sample was limited to approved, experienced arbitrators and did not include cases arbitrated by permanent umpires who did not file awards with the Commission.

A total of 3,000 awards were analyzed to determine the identity of the arbitrators, the issue, and whether or not the award favoured the union or management. An award which lessened the action taken by management was considered to be favourable to the union. The coding of the issue and the interpretation of the award was carried out by one of the authors, an experienced participant in arbitration cases.

A total of 47 arbitrators were involved in the 3,000 awards made. The data confirmed previous reports of the concentration of

awards among few arbitrators — 76 per cent of the awards were made by 13 arbitrators with the seven busiest accounting for 61 per cent of the cases.

Discharge, other disciplinary matters, and questions of seniority accounted for 45 per cent of all the cases. There was a significant difference in the unions' win ratio for different types of issues, with the union faring very badly on seniority and overtime grievances.

Comparisons were made between the busiest seven arbitrators on the incidence of their decisions favouring the union position. In order to make a statistically useful and valid comparison, the analysis was limited to those arbitrators processing more than 100 cases.

Table 3 shows the wide spread between arbitrators, with those favouring the union position consistently doing so over all three issues. To determine if these differences were significant, a comparison between each pair of

TABLE 1
ARBITRATOR CASE LOAD

Cases per arbitrator	Number of arbitrators
0 - 50	34
51 - 100	6
101 - 200	4
201 - 300	0
301 - 400	3

arbitrators was made. The differences between arbitrators, in terms of percentage of awards favouring the union, were tested with a t-test of proportions on the null hypothesis. The results are summarized in Table 4.

Similar results were obtained when discharges, discipline cases and grievances involving seniority were analyzed separately. The small number of other cases processed by the arbitrators precluded analysis of other issues.

The data presented in this paper tend to support the contention that there is a systematic bias among arbitrators which inclines them toward favouring one side or the other in arbitration cases. The assumption in the analysis is that cases are assigned to arbitrators

The data presented in this paper tend to support the contention that there is a systematic bias among arbitrators

randomly and that arbitrator 03, for example, is not consistently getting cases which, on their merits, would tend to be won by the union while arbitrator 02 is consistently getting cases which would, on their merits, be won by management.

We do not have the data to test this assumption of random allocation although further research, currently in progress, will enable the assumption to be validated by controlling for other variables. It is the opinion of the authors that, while allocation of cases may be somewhat skewed, the skewness would not in itself produce variations of the magnitude noted in this study.

There are dangers in analyzing the

TABLE 2
MAJOR ISSUES IN ARBITRATION

Issue	No. of cases	% of cases	% won by union
Discharge	627	20.9	53.0
Discipline	373	12.4	48.5
Seniority	357	11.9	28.6
Overtime	179	6.0	30.7
Grieve. proc.	174	5.8	52.9
Wage dispute	149	5.0	36.1
All others*	1,019	34.0	—

*Each less than 4% of total issues.

TABLE 3
AWARDS FOR THE UNION (%)

Arbitrator	All issues	Discharge	Discipline	Seniority
01	39.6 (154)	50.0 (27)	47.2 (17)	24.5 (12)
02	33.0 (122)	38.4 (28)	42.0 (21)	15.6 (7)
03	39.2 (147)	48.9 (44)	34.1 (15)	30.6 (15)
04	42.7 (79)	65.9 (27)	55.9 (19)	31.6 (6)
05	54.2 (91)	70.6 (24)	61.1 (11)	44.0 (11)
06	29.8 (54)	28.3 (13)	23.5 (4)	26.3 (5)
07	34.4 (54)	56.5 (13)	42.3 (11)	16.7 (3)

Numbers in parentheses are the actual number of awards favouring the union.

TABLE 4
COMPARISONS BETWEEN ARBITRATORS
(ALL ISSUES)

	Arbitrator						
	01	02	03	04	05	06	07
01	-	6.6	0.4	3.1	14.6**	9.8*	5.2
02	-	-	6.2	9.7*	21.2**	3.2	1.4
03	-	-	-	3.5	15.0**	9.4*	4.8
04	-	-	-	-	11.5*	12.9*	8.3
05	-	-	-	-	-	24.4**	19.8**
06	-	-	-	-	-	-	4.6
07	-	-	-	-	-	-	-

* p .05

** p .01

Numbers in this table refer to the differences between arbitrators in the percentage of their awards favourable to the union.

ways in which arbitrators work on the basis of their decisions for or against the parties alone. Nevertheless, the magnitude of the differences between arbitrators reported in this study suggests that those involved in arbitrator selection would do well to

continue to pay close attention to the published data on awards. It should also serve to provide some factual basis for understanding trade unions' occasional cynicism about the arbitration process, and their antipathy toward certain arbitrators. [9]

Grievance arbitration — Newfoundland's search for "a better way"

by R.G. Hattenhauer

Prior to becoming Canada's tenth province, Newfoundland did not adhere strictly either to the British or to the North American model of collective bargaining. Its government labour policy was still merely permissive — rather than supportive — except for certain Second World War regulations which prohibited strikes and provided for compulsory settlement of interest disputes.

Labour policy became supportive of trade unions in 1950 when the first Labour Relations Act was passed. For all practical purposes it was a copy of the federal Industrial Relations and Disputes Investigation Act. With the adoption of the 1950 statute, collective agreements became binding for at least one year and provision had to be made for the settlement of rights disputes during the term of the agreement, "by arbitration or otherwise." This Act thus compelled both management and labour to abandon the traditional pressure techniques for the settlement of grievances during the term of their agreements and to accept the decision of a neutral third party as final and binding as a normal component of the collective bargaining system.

At the time it joined Confederation, Newfoundland was even less industrialized than it is now. The only well-developed unions were found among railway employees and in the pulp and paper industry. Miners and lumbermen were organized by unions which repeatedly moved from independent status to

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national or international affiliation and vice versa. Construction trade unions had limited success. The fishing industry was all but untouched by trade union organizations, and small unions — often without international affiliation — were formed among employees of small local manufacturing or service establishments. The unions frequently disappeared and were revitalized several times in a few years. When the 1950 Act came into force both management and union representatives were faced with a new set of ground rules and had to learn gradually to live with the sudden change in their respective rights and privileges.

By the mid-1960s there were still misunderstandings about the functioning of the collective bargaining system. Many practitioners on both sides of the table had not yet recognized the value of a smoothly-functioning grievance procedure, including rights arbitration. Relatively few arbitration cases were heard, and neither

management nor labour seemed to be entirely satisfied with the process.

However, by the mid-60s Newfoundland management and labour representatives had begun to develop a more sophisticated approach to the challenges of day-to-day labour relations. With a more mature approach to collective bargaining, individuals on both sides began to look for ways to improve the system and viewed with particular interest the Nova Scotia experiment in labour-management co-operation. Informal discussions were held over the years, and in January 1969, representatives from labour and management took the first step to use the mechanism of province-wide labour-management co-operation to improve rights arbitration in Newfoundland to their mutual advantage.

A meeting was called under the auspices of the Institute of Social and Economic Research at Memorial University of Newfoundland, and an open invitation was extended to labour and management representatives and other interested parties from across the province to attend this first meeting. The intention was that labour and management should be invited to meet on neutral ground and discuss a subject of mutual interest in a setting that would avoid personality conflicts and other similar problems, which so often block frank communication between an employer and the bargaining agent

The suggestion to establish a provincial panel of arbitrators was favorably received

representing his employees. The first meeting was attended by 50 representatives from across the province. The document placed before this meeting proposed that:

- a panel of arbitrators be set up — on a regional basis if necessary — with appointments to this panel to be made jointly by management and labour;
- representation be made to the provincial minister of labour to accept this panel officially as the provincial panel of arbitrators;
- the parties themselves make their selection from this panel when single arbitrators or arbitration board chairmen were needed;
- it be understood that, if no agreement could be reached, the labour minister be asked to make his appointment from among the panel members.

The advantages that such a panel of arbitrators could offer the parties were outlined as follows:

- The often lengthy and discouraging search for an arbitrator could be considerably shortened, if not entirely eliminated.
- Since the panel would probably have a relatively stable membership, increased familiarity of arbitrators with Newfoundland business and labour conditions would lead to more equitable decisions.
- More experienced and better trained arbitrators should give better overall decisions.
- Operating such a panel would bring arbitrators in contact with each other, and that should lead to more consistency and comparability in the decisions made by the various panel members.
- A training system for new arbi-

trators could be established to avoid the undesirable results which are inevitable when new arbitrators are developed through the trial-and-error approach.

- The form and basic content of arbitration decisions could be standardized, eliminating the unsatisfactory award which gives little or no reasoning for the ultimate decision.

Arbitration hearings were to be conducted as informally as possible, with no more legal trappings than absolutely necessary

- Panel members could be required to file all decisions at a central location so that a reference file of Newfoundland arbitration cases could be built up for the use of all concerned.

- Prior knowledge of the principles and reasoning which arbitrators are likely to apply — based on past decisions — would probably cause fewer grievances to go to arbitration, and more problems might be settled in direct discussions between the parties concerned.

- The scale of fees could be fixed, giving the parties advanced knowledge of probable costs involved in arbitration cases.

- Membership of the panel should remain under the control of labour and management, and a method of reviewing the performance of individual arbitrators could be provided to assure that panel members who might be clearly unsuited — for such reasons as obvious bias or persistent lack of

care in award preparation — could be removed. A condition for serving on this panel would be that the arbitrators agree to abide by these guidelines and that they not serve as nominee for either side on arbitration boards.

The suggestion to establish a provincial panel of arbitrators was favorably received, and the participants decided to appoint an exploratory committee to study the proposals further and to report its findings to another meeting in the near future. This committee consisted of three representatives from labour and three representatives from management, with a neutral third party as chairman. At a meeting in May 1969, the exploratory committee recommended to a plenary session that the panel idea be accepted for implementation, and at that meeting the Newfoundland and Labrador Labour-Management Co-operation Committee (LMCC) was officially launched. An executive committee was appointed and instructed to proceed with the establishment of the panel of arbitrators, to seek the co-operation of the provincial department of labour, and to report back to a third plenary session of the LMCC as soon as possible.

The executive committee invited nominations for panel members from all across the province, and on the basis of background investigation and personal interviews, the committee eventually established a panel of nine arbitrators out of a total of more than 20 nominations. It was agreed that panel members' performance should be reviewed every two years. Concerning the form and content of arbitration decisions, the committee agreed that decisions were to be handed down within a reasonable period (30 days) after the conclusion of the hearings and that the final award should contain the names of the parties to the dispute, the time

The labour-management committee has been operated by labour and management...without direct involvement of third parties

and place of the hearing, a statement of the grievance, a statement of the parties' submissions, full and complete reasoning by the arbitrator, and the ultimate decision. Arbitration hearings were to be under the control of the chairman and were to be conducted as informally as possible with no more legalistic trappings or technicalities than absolutely necessary. One copy of the completed award was to be filed with each of the parties concerned, with each board member (where applicable), with the provincial department of labour, and with the Centre for Newfoundland Studies at the Memorial University Library. The schedule of fees at that time was set at \$200 per diem (now \$300) plus out-of-pocket costs.

The objective of developing new arbitrators through some formalized training program was achieved by adopting a system under which trainees would be appointed in the various geographic regions, preferably on recommendation by labour and/or management representatives. Chairmen were to be required to notify trainees of arbitration hearings scheduled in their area of the province, and the trainees then were expected to attend the hearings at their own expense and to submit their draft award to the executive committee. Each such award was to be submitted to two panel members who would be expected to give a written critique that, in turn, was to be supplied to the trainee, the reviewers' names being withheld.

While the executive committee was involved in developing these specific components of the panel system, communications with the department of labour were continued, and it was ultimately agreed that the department would provide the necessary facilities to establish and operate a central filing system for all arbitration awards received under the LMCC guidelines.

At its next full session in February 1971, the LMCC adopted a new constitution and re-organized the executive committee so that all its labour members would be appointed by the Newfoundland Federation of Labour and the management members by various interest groups, (one by each) such as the Chamber of Commerce, the Construction Association and the fishing industry. The new constitution also provided that the chairman and the secretary of the executive committee be elected from among the appointed members of that committee rather than from among outsiders. From that time on, the Newfoundland LMCC has been operated by labour and management representatives, without direct involvement of third parties. At this plenary session, the recommendations of the executive committee were adopted with minor changes. For example, the session decided against a biannual review of the panel. Instead, the executive committee was to present at each annual meeting of the LMCC a new list of arbitrators recommended for appointment to the panel.

A panel of trainees was established in short order. A one-day seminar for trainees has been conducted to provide them with some theoretical background to labour arbitration. To date, three trainees have been added to the panel of arbitrators after having

satisfied the executive committee that they had reached a satisfactory level of competence. These additions to the panel were, to some extent, counterbalanced by previous panel members withdrawing for a variety of reasons. Some found that the process was too time-consuming while others discovered that rights arbitration was not what they had expected it to be. The membership of the Newfoundland panel of arbitrators now stands at 10.

At the outset, the secretarial work for the LMCC was provided through the Institute of Social and Economic Research. Later, the executive manager of the Newfoundland Board of Trade agreed to serve as secretary to the executive committee and to provide the necessary clerical

...the Newfoundland experiment in labour-management co-operation has succeeded in realizing most of the hoped-for benefits

services through that board's office. Eventually, the executive committee decided that the LMCC should be financially self-supporting. The members of the committee serve without remuneration of any kind, and labour and management representatives usually find it possible to arrange their normal work schedule so that they can attend committee meetings without incurring additional expense. To cover the cost of clerical services and mailing and duplicating expense, a \$20 (now \$25) "fee" has been requested from the principals for each member of the executive committee. To date, this system of financing the committee has worked reasonably well. However, the provincial minister of

manpower and industrial relations has recently agreed to provide a small annual grant to enable the LMCC to engage in new activities which might improve and support labour-management co-operation in the province and further strengthen the concept of the panel of arbitrators.

In order to realize some of the potential benefits of the panel system, a meeting of arbitrators had been suggested some time ago but it was not until late 1976 that the first meeting of all panel members was convened to discuss problems and to deal with complaints which labour and management representatives had taken to the executive committee.

Besides the establishment of a training procedure for new arbitrators and the regulation of fees, the Newfoundland experiment in labour-management co-operation has succeeded in realizing most of the hoped-for benefits. The list of panel members has been widely distributed in union and management circles, and it is being used by the provincial authorities when a request for the appointment of an arbitrator is received. Nominees usually have accepted the fact that the list is their best source for a board chairman, and more and more collective agreements are negotiated to include a short list of the panel (usually 3 or 4 members) who are called on in alphabetic order when a grievance is referred to arbitration. The arbitrators having been selected beforehand, the machinery can be set in motion as soon as the final grievance meeting is concluded and the union decides to proceed further.

Notwithstanding some initial administrative problems, the

***...the panel of arbitrators
has definitely proven its
value***

central filing system is now in operation and available as a reference source for industrial relations practitioners and researchers. The department of manpower and industrial relations has maintained the topical index which had been adopted by the executive committee, and it plans to publish periodically summaries of all awards received.

Form and content of decisions are — with minor variations — standardized and follow the guidelines adopted by the LMCC, and there appears to be general consensus that the overall quality of arbitration decisions handed down in Newfoundland has steadily improved since labour and management have taken a direct interest in this matter by approaching the problem on a macro — rather than a micro — level.

When the LMCC was formed in 1969 the hope was expressed that — following the establishment of the panel of arbitrators — labour and management might turn their attention to other areas in which they might co-operate to their mutual advantage. The panel concept — although welcomed by almost everyone — was more difficult to translate into reality than many of its supporters had expected, and there simply were not enough resources available to develop and pursue other projects. However, with the introduction of the 1976 proposals for a new

Labour Relations Act and a new Labour Standards Act, another opportunity was given to show whether labour-management co-operation could work. At the 1976 annual meeting, the LMCC accepted a number of recommendations put forward by the executive committee, concerning changes in the Labour Relations Act, and as matters now stand, there is good reason to expect that the new Act will be modified as a result of representation made to the minister by the executive committee.

The Newfoundland LMCC has been in existence for slightly more than eight years. Although the collective bargaining system in Newfoundland has not undergone any spectacular basic changes and no breakthrough in the search for a "better way" in industrial relations has been made, much credit is due to the labour and management representatives in this province who refused to abandon the idea that labour and management can effectively co-operate in certain problem areas and do not have to be adversaries.

The Newfoundland LMCC has had its problems and trials. Apathy and criticism from all quarters at times appeared to be truly insurmountable obstacles. However, the LMCC has survived and its major project — the panel of arbitrators — has definitely proven its value notwithstanding the fact that there is considerable room for improvement. At this time it can only be hoped that some of the skeptics can find the courage to become involved and — with their active support — enable the LMCC to become a more effective means for the improvement of labour-management relations in this province. [g]

Worker participation and the quality of life: a behavioral analysis

by A.D. Boyd, A.C. Gross, and E.G. Wertheim

Improving the quality of life by making work more "meaningful" appears to be a widely shared notion and is a major common element to the many thrusts in industrial relations in both Europe and North America. However, it is probably true that the gradual improvements in the intrinsic aspects of work that have occurred are due more to technological factors and to increased education of workers and managers than to the efforts stemming from social policy.

It would seem that if social policy with respect to the experience of work is to play any significant part in shaping the nature of the future complex organization, it will have to be based much more on the systematic analysis of the relationship between the individual and the job, the meaning and consequence of the experience of work, and on the knowledge gained from existing experiences in job reform and worker participation.

If history provides some lessons in this area, the very successes of social policy in traditional industrial relations will generate rising expectations with regard to what the work experience should provide. Unfortunately, over-enthusiastic advocates of participation and its various forms have created some false expectations with respect to the probable short run impact on such outcomes as job satisfaction and performance. Reports of failures in efforts such as job enrichment, job design,

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works councils and worker control are becoming common. Ideology, far more than practical considerations, has shaped social policy on worker participation.

For years, many social observers have held that work should have intrinsic meaning and that social policy in industrial relations should be aimed at least partly, at the job itself. For the most part, however, improvements that have occurred through industrial relations have related more to the improved position of the worker as consumer than of the worker as producer. While the conditions surrounding work have improved immensely, changes in the psychological aspects of work can probably be related more to the requirements of changing technology than to changes in the underlying values as to the "right" of an individual to a satisfying job.

Reports of failures in efforts such as job enrichment, job design, works councils and worker control are becoming common

There have been strong ideological pressures for work reform since the 19th century. Yet conditions today are probably more supportive than ever of significant reform in the nature of work.

Advanced technology appears to encourage some decentralization and increased participation. Also, as relative educational and economic conditions of workers improve, non-economic concerns seem to increase in salience, at least for some workers. If there is a tradeoff between improvement in the quality of working life and economic gains, affluence makes it increasingly easier to make the tradeoff in favor of the quality of working life.

Increased worker participation is one common theme in the suggestions to improve the intrinsic quality of work life. Suggested forms for this participation vary greatly and a number of frameworks for the various forms of participation have been developed. Participation can be formal such as in works councils, or informal, such as in "human relations management." Participation can vary in scope from increased influence over the immediate workplace to increased participation in managerial decisions. Competence can vary from advisory and veto rights, to actual decision-making authority.

There is by no means universal support among unions for efforts to improve the quality of work life through increased participation. American labour has expressed

interest in increasing the worker's control over the workplace but has little interest in participation in management. [L.G., Sept. '76, p.473] The ideology of some European labour movements is strongly opposed to any form of worker participation in managerial decisions.

Yet virtually all surveys of participation suggest that although the demand for participation will increase, the issue will not be whether participatory schemes should be developed, but will center more on understanding the dynamics of participation and understanding the circumstances under which various schemes might work.

Social policy in industrial relations demonstrates a sophisticated understanding of the relationship between extrinsic elements of work and the quality of life. It is tempting to suggest that intrinsic elements of work are likely to have a similar direct consequence on the quality of life. This does not appear to be the case.

Most research on the intrinsic quality of work has focused on the notion of job satisfaction. The typical logic has been that if various needs of the individual were satisfied — such as esteem, recognition and achievement — then the individual would experience job satisfaction resulting in outcomes such as increased performance, lower absenteeism and turnover, and other non-job related responses. Job characteristics that appear to lead to motivating conditions are: skill variety; task identity, or the degree to which the job requires completion of an identifiable piece of work; task significance; autonomy; and finally, the degree to which the job provides information about performance. While these conditions have been

Ideology, more than practical considerations, has shaped social policy on worker participation

empirically shown to explain some of the variation in human response to the job, unfortunately, they do not explain very much of this variation.

There may be many reasons to increase worker participation in its various forms, but insofar as one of the reasons is to increase an individual's sense of autonomy, task identity, and responsibility, the literally thousands of studies of worker satisfaction since the Hawthorne Studies cannot create much optimism as to the consequence of increased participation on the individual's affective response to the job:

Furthermore, studies of job satisfaction do little to explain why surveys of job satisfaction among workers typically conclude that for the most part, workers are "satisfied," would continue to work even if they did not have to, and generally consider their present job their best. J.R. Hackman and his associates have moved a bit in the direction of explaining this by considering individual differences as moderating the job characteristic-satisfaction relationship. In an article in the *California Management Review*, Summer 1975, Hackman suggests that individuals with a "high need for growth" will respond to a motivating job. Again this notion helps, but not very much. William Form, in an article in *Social Forces*, Sept. 1973, stated the situation rather bluntly when he noted that "most workers find satisfaction out of work; workers

seem to ignore the recommendations of social scientists that they should hate their work."

A broad explanation of why conscious efforts to change the conditions of work are not likely to result directly in an individual's felt experience of work was suggested by J. Goldthorpe et al. in a conclusion to a study of British workers entitled *The Affluent Worker: Industrial Attitudes and Behaviors*, published by Cambridge University Press in 1968:

There is in fact no direct and uniform association between immediate, shop floor work experience and employee attitudes and behavior. This is because the effects of technologically determined conditions of work are always mediated through the meaning that men give to their work and through their own definitions of their work situation, and because these meanings and definitions in turn vary with the particular sets of wants and expectations that men bring to their employment.

Michel Crozier, in *World of the Office Worker*, published in 1965, also concluded that, contrary to his expectations, the French office workers he studied were not directly affected by the objective job conditions, but "perceived and experienced work in ways profitable to themselves in dealing with the environment." William Form found, in a cross-cultural study of auto workers, that for those workers for whom work was a "central life interest," conditions of work were important determinants of job satisfaction and presumably of the quality of life in general. However, few workers considered work a central life interest and for those people, conditions of work played a minor role in the felt quality of life. Such

people are not particularly alienated, although on many criteria used by social scientists, they would be. They adjust their behavior to the setting by varying the degree of commitment according to the specific features of the setting that are attractive to them.

Worker representatives often lack the training to handle many issues

These studies suggest that worker participation and other job reform schemes implemented in the hope that the worker's feelings about himself, his organization, job and life will change are based on an overly simplistic notion of the worker's affective response to the job.

Satisfaction of needs for recognition, esteem, and achievement tended to be pursued outside of work and through the worker's children. Hence the salience of work as a central life interest tended to be lowered, and whether or not work was objectively alienating seemed to be of little consequence.

This argument is not offered as a refutation of the idea of worker participation. To the contrary, we suggest this as one approach to understanding some of the inherent limitations of existing systems of participation. This behavioral approach suggests some ways of making existing participatory schemes more effective.

Since the Hawthorne Studies, literally hundreds of studies have provided evidence of the benefits of participation and increased control over the job. (For a review of these studies see P. Blumberg,

Industrial Democracy, New York, Schocken, 1969.) These studies have provided much of the behavioral foundation for the development of worker participation schemes. However, the overall results of these schemes suggest the extreme difficulty of translating legal, externally imposed structures into actual changes in the individual experience of work.

In relation to the many stated and implied goals of participation, there are certainly many positive developments to point to. As a minimum, participatory mechanisms have provided another form of co-operation. The broad experiences in participatory schemes since World War II have gone a long way toward building an ideological foundation from which effective structures of participation can emerge. The surveys generally support the notion that increased influence and control (especially at the shop level) are desired. Furthermore, an increased perception of control appears to result in higher levels of job satisfaction. The problem is, however, the failure of most programs of co-operation to have any perceived impact on the individual's experience of work.

The most obvious shortcoming with respect to changing the nature of work is that, so far, those issues identified as critical components of job satisfaction are rarely discussed in the participatory mechanisms. For example, a survey of the topics discussed in 75 works councils in Belgium showed almost total concern for the more traditional extrinsic aspects of work.

The ongoing process of the works council or other representational body has also been frequently identified as a major problem. Most discussion centers around

employees bringing up specific questions and case situations and management responding to these issues. For those employers or employees who are not highly committed to the concept of co-operation, it does not appear difficult to turn the council into a meaningless exercise. Worker representatives often lack the training to handle many issues.

Worker representatives have great difficulty obtaining information in financial, marketing, and personnel areas, where at least such information exists. There are problems stemming from the isolation of the worker representatives from the rank and file. Laws often bind the representative to secrecy. It is not surprising to find that workers in most countries have only a vague notion of what the councils or their representatives do.

While there may be support for the ideal of co-operation, neither management nor the unions are very willing to yield some of their prerogatives

The power of the participatory mechanisms is extremely limited. These mechanisms are typically superimposed on well-entrenched existing systems of industrial relations. While there may be support for the ideal of co-operation, neither management nor the unions are very willing to yield some of their prerogatives. Both sides appear to have the ability to undermine the participatory mechanisms if it is their desire.

Emery and Thorsrud, in a study of industrial democracy in Norway,

(*Form and Content in Industrial Democracy*, London, Tavistock, 1969) conclude that for a higher level of participation to be successful (works councils or board representation) there has to be a foundation of employee participation and control of day-to-day activities.

This point explains, perhaps, the apparent relative success of those experiments to directly influence the organization, structure, and control of work. While this form of worker participation may do little to achieve the stated ideological goals of European advocates of participation, it may have a much stronger direct impact on the quality of work life.

Efforts to directly restructure the design of work are becoming increasingly popular in Europe and North America. The reports of these experiments, along with many studies in the United States, Canada and Western Europe of such areas as job enrichment and socio-technical design, are certainly encouraging.

This form of participation is aimed not at representational bodies but directly at the worker and the job. Typical experiments have involved the establishment of autonomous work groups, team-determined management, flexible task assignments, and decentralized decision-making in technical and personnel areas. Also, vertical loading, or the integration of the planning and controlling of work along with the "doing" of the job is attempted. Successful experiments along these lines have been reported in the United States, England, Canada, Norway and Sweden, and India.

Direct redesign of work has yet to become a major concern for unions


These programs have the advantage of self-selection. The programs typically take place where top management is strongly predisposed toward the idea. Effort is made to ensure that support is widespread before innovations are implemented. It is questionable whether results of job enrichment experiments would be much different from those of participation through representation if job enrichment were implemented primarily through legal systems.

Direct redesign of work has yet to become a major concern for unions, although recent events suggest this is changing. For example, unions in Germany and Italy have recently won contracts specifying the reduction of monotonous work through changes in manufacturing methods. Similarly, unions in Norway and Sweden are participating actively in programs designed to humanize work by making it more meaningful and participative. Examples of similar sentiments can be found in pronouncements of labour in Canada and the United States.

The experience of introducing increased participation and control through collective bargaining and union-sponsored programs is very limited. Consequently, we know very little about the possibilities and problems of change via this approach.

Some broad conclusions can be drawn. Ideology is probably already supportive of various forms of job reform. Increasingly complex forms of technology also seem to support decentralized control. However, joint efforts to improve the nature of work will have to stem not only from ideology and technology but from the requirements of the economic and social situation. It is also clear that for co-operation to occur, parties to this co-operation must be fairly equal in power in terms of legal rights, access to information and skill.

Imposed mechanisms of participation can fairly easily be circumvented in the absence of strong commonly shared notions of the value of intrinsic job satisfaction among all parties in industrial relations. Consequently, effective social policy in this area will probably not occur until there are some profound shifts in attitudes on the part of management and workers.

For there to be a shift toward developing intrinsic job satisfaction through formal or informal participatory mechanisms, there must be commonly accepted methods of measuring and evaluating this aspect of the work experience. Until this development occurs, the problems of the intrinsic job satisfaction remains a vaguely defined idea with unclear solutions. The difficulty of participatory bodies to deal with even well defined situations highlights the problem. 

The foregoing was condensed from a paper presented at the International Industrial Relations Association congress in Geneva, September 1976.

Issues in comparative research on labour and work democratization

by Steven E. Deutsch

Although there has been discussion for some time about the comparability of industrial nations of the world, nowhere is the question more clearly relevant than in the cross-national interest of recent years in the matter of work. This is the result of some obvious trends among the Western European and North American states.

There has been a rapid increase in technological rationalization, productivity and leisure. There are continuing manifestations of worker discontent, absenteeism, low morale, labour turnover and industrial relations strife. As a consequence, the issues related to what has become known as the quality of working life have become pronounced.

The inquiry transcends market economies. Business executives in the United States have become interested in Yugoslav self-management, trade unionists in West Germany have examined developments in East Germany and other socialist states. Moreover, a substantial amount of research has been shared among the industrial nations of Western Europe and North America. One of the difficulties of assessing much of this literature is that there are varying assumptions. Clearly the stress upon efficiency, productivity and similar managerial concerns is not the same as that which would underscore worker involvement, worker participation and control.

Why is it that industrial societies,

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having achieved high levels of productivity with a rationalized technology, have come rather uniformly to recognize problems of work? What is the pattern which connects the approaches to industrial democracy, workplace reorganization, self-management, participation on the shop floor and other such concerns? Finally, what are the challenges and the possibilities of extrapolating generalizations from one or more societies and applying them elsewhere? That is, may we truly take the Yugoslav self-managing system of industry and expect that it be applicable to technocratic non-socialist states? Will the Scandinavian experiments apply in North America?

The movements for social change which were increasingly widespread in the 1960s came to a considerable extent to overshadow the realities of the workplace. Yet, the 1960s closed with increasing evidence of worker discontent related to patterns of economic insecurity, the threat of job displacement and insufficient job

...the issues related to what has become known as the quality of working life have become pronounced

expansion, the rising mood of racial unrest and press of movements for racial justice.

The 1970s rushed in with a rage of issues affecting labour. Some concern continued over automation, but larger economic issues of job security, rising unemployment, and inflation became dominant. Suddenly "blue-collar blues" became part of the media vocabulary. Statistics demonstrated the rise in work stoppages and labour disputes. Journalists reported the changes among disaffected young workers and the bases for wildcat walkouts.

A new theme began to dominate: there was a new generation of workers, those who were removed from the pre-union and Depression periods and who came to maturity in the 1960s with a mood of anti-authoritarianism. Here there is an interesting mix, for there is both the stress on new values of the "counter-culture" and disdain for traditional values, and the recognition of old ideas centered around social relations at work, control over work life and participation in decision-making in all spheres of one's life.

The 1970s demonstrated a resurgence of interest in blue-collar workers by American social scientists, and a dramatic rash of inquiries and commentaries on wildcat strikes, labour insurgency, and worker discontent ensued. The proportions of discontent were of such magnitude that finally a U.S. government-commissioned study was launched.

During the past few years there has been much concern about the interplay between intra-organizational work issues and the macro-concerns of the economy and society. It has primarily zeroed in on the workplace. Yet with the crisis of high structural and cyclical unemployment, high inflation and work insecurity, there is a growing political impetus for governmental legislation to address the macro-economic foundations of discontent.

The idea of industrial democracy is not new in the U.S. It has developed within a voluntary ethos and the recent emphasis is largely in response to the crisis of work life. Interestingly enough, although there are considerable variations between the North American and European situations, there has been a strong interest in comparative perspectives within the United States, with much attention being given the various developments in Europe. This is reflected by growing case studies, tours of European plants, growth of managerial and union organizational studies of European industrial problems and self-management organizations. In contrast to the dominant earlier view which argued for the unique features of North American industrial relations, there has evolved a strong interest in comparative analyses with likely efforts to extrapolate from experiences in Europe and apply hybrid lessons in the North American context.

Social historians and labour economists have long argued that the North American situation differed from that in Europe [LG, August '76]. European trade unions were seen as more socially conscious, politically active, and the product of a more rigid class structure. Yet, in recent years, the alleged reductions in class differences and political commitments

...there is a growing political impetus for governmental legislation to address the macro-economic foundations of discontent

among European workers has not been demonstrated.

There have always been factions of European workers who were militant in their outlook, and there surely is some continuity between protest voting in the past and the growth of left wing parties in Italy and France today. However, the responses have shifted. We might well expect more factory take-overs as in the French Lip watch plant or the Dutch Breda-Enka plant — cases whereby workers occupied and took over plant operations as concerted protests to decisions unilaterally taken by management. In the past, workers may have been led to trust collective bargaining efforts to stall the closing of a factory, now there is growing evidence that workers may be moved to collective action. In this, there is indeed a parallel to the wildcat walkouts in the United States.

To be sure, the developments in organizational and work-life democracy are a reflection of the socio-political system, as illustrated by the dramatic but short-lived experiments under the Allende regime in Chile. What is striking is the complex network of legal and structural changes in the Western European countries. Yet it is crucial to recognize that although the crises in the Western European market economies have led to a strong social unionism, a rise in left wing political movements and a legal apparatus which has moved strongly to facilitate

worker participation in management, there are still important differences between the nations of Western Europe and the socialist states, particularly Yugoslavia, with its constitutional system of self-management.

Aside from the judicial bases of worker participation, there are variations reflecting the philosophic underpinnings. There are real differences between workers' control and the earlier forms of industrial management with current popular manifestations amongst the North American and Western European technobureaucrats. What has emerged in recent years has been a tradition in Western Europe and North America which builds on the most humanistic theories of organization and advocates "job redesign." This allows for job enrichment, in which workers have more interesting work, jobs are varied and rotated, and there is greater work involvement. But, most fundamentally, there are no reallocations of power, and participation without power clearly suggests co-optation. The co-optive forces in the U.S. go beyond management but include the corporate state and unions.

The literature is by now voluminous on country case studies documenting efforts to democratize the workplace, but it is important to note that in most cases there is a voluntaristic climate or one modestly shaped by the legal apparatus of the state. In contrast, post Second World War Yugoslavia has been built on a constitutional foundation with a socialist commitment to the creation of a democratic and self-managing society.

The Yugoslavs have developed a self-analysis that is impressive. Many Yugoslav social scientists

have examined the internal contradictions of the system, the empirical gaps between theories of industrial democracy and the practice of decision-making in Yugoslav enterprises. It seems clear that the government is committed to making self-management work and is utilizing social science research to evaluate and improve the system. The underlying rationale for the system of self-management is outlined in a number of reports produced in Yugoslavia. Most are available in English, which is especially important in light of recent interest in the West in possible applications of the Yugoslav experiment.

An important complement to the Yugoslavian literature is the recent work by foreign analysts who have particularly addressed the ways in which self-management has operated to decentralize power and give workers greater control at the local level. One of the chief products of the system of workers' councils has been to effect an economic-political system which is both decentralized and still coordinated through a mechanism of national planning. At the same time, this has been a source of internal conflict and the empirical work has especially addressed this dilemma.

The problems of workers' participation in Yugoslavia include a variety of dimensions. For example, one government report indicates that, "The main difficulty in efforts to consistently develop the system of profit-making has been uneven conditions of income earning. Figures show that there are sizable differences in income per employed worker between various economic groups, branches and activities, and they are not always a result of difference in the productivity of labour." (Sarajevo Conference Report, 1971:4).

My interviews with researchers and trade unionists suggest that this pattern is known and acknowledged, and that one of the conflicts in the system derives from such perceived differentials in rewards, reflecting regional and plant variations. The problem of equalizing reward structures in socialist states is clearly relevant here.

Another problem that is empirically revealed by research revolves around differentials in actual participation. Variations such as party membership and educational background are related not only to income, but to relative levels of influence and decision-making power. Some of this research is

...all Western European countries have in recent years experienced major developments in worker participation

just becoming available, and while first phases showed high levels of interest in participation, follow-up studies have indicated recognition by workers of differential participation and decision-making power.

The conclusion is that internal conflict will inevitably arise as gaps between theory and practice of self-management are perceived. The conclusions from the growing literature examining the Yugoslav practice of self-management are not entirely clear. On the one hand there is evidence that industrial democracy has been well developed and that some important innovations have been implemented. At the same time, the empirical studies do point out some of the conflicts in the actual operation of the system and some of the dilemmas posed not only for

the Yugoslavs, but for others looking to their experiment.

Of course workers' participation is not a panacea. Those who, for example, examine only the rise in productivity, miss the point. Yugoslav researchers have abundantly indicated the problems of efficiency, cynicism, and the gap between reality and theory, but the evidence is also clear that worker alienation has been reduced by self-management, and that increased participation does alter worker-citizen attitudes and behavior. The openness of the Yugoslavs in conducting self-analysis and criticism makes it even more important that industrial states, especially those in the West, understand their situation and its implications for all industrial societies.

A major observation today, contrasted with a decade ago, is that worker militancy and organization in Europe and North America has tended to stress social goals, the legitimacy of worker participation, and the connection between quality of work life and general social expression of control. There is a strong tendency among union movements in the industrial nations to search for longer term strategies for organizational change which activate workers to seek control over their lives — in the workplace and without.

Research in Norway has led to the conclusion by J.M. Elden that, "We have consistently found that democratized authority structures result in more workers attempting to control their own lives, both in the plant and beyond." ("The Work Revolution," *Working Papers for a New Society* 1, 1973). This seems to be validated by several studies in the United States, and gives credence to the push for reformist strategies.

When workers have come together

Some aspects of industrial relations research in Canada

by Shirley B. Goldenberg, Jean Sexton, and H.D. Woods

Some scholars take an interdisciplinary approach to industrial relations as a field of study in itself, others are involved in research and teaching impinging on various aspects of a particular discipline such as economics, law, history, political science, sociology and psychology.

Although this review of research is based on a broad definition of industrial relations, which includes all aspects of the world of work, space limitations have forced us to be very selective.

We have classified the material under a few broad headings representing major areas of research. Within these classifications we have confined our references principally to books and published reports.

Most of the significant contributions to industrial relations research in the past three years, as in the preceding period, have originated in government or the universities. Unions and employer organizations, with few exceptions, confine their research to data collection designed to meet the needs of particular bargaining situations and/or the preparation of highly subjective briefs to government and public commissions of inquiry.

There are no independent institutes of industrial relations research in Canada although research relevant to industrial relations occasionally is carried out under the auspices of private

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agencies engaged in economic research, such as the C.D. Howe Research Institute in Montreal.

Jurisdiction over labour relations is divided between the federal government and the provinces and both levels of government conduct research on a regular basis as well as from time to time commissioning special investigations. Studies carried out by the research staffs of the federal government departments of labour and manpower are largely for internal use, but a number are fairly widely disseminated for public information¹, as are studies sponsored by government agencies such as The Economic Council of Canada², Statistics Canada³, and the Pay Research Bureau⁴.

Government-commissioned inquiries continue to enlarge knowledge in the field and to provide academics with research opportunities for which funds might otherwise be lacking. Virtually all the public investigations in the past few years have been undertaken in response to specific problem

situations, such as a strike or violence in a particular industry⁵, or with a view to introducing policy changes in an area — the public sector for example⁶. This was generally the case in previous years although there have been a few exceptions where the mandate to the investigators was much broader, such as the 1968 Report of the Task Force on Labour Relations, and the Report of the Royal Commission on Labour Legislation in Newfoundland and Labrador, in 1972. Even within the universities, the main emphasis is on problem-oriented research. Attempts at theory are the exception.

Although most of the major works on the development of unionism in Canada were written before 1972, the last three years have continued to produce interesting research on the organized labour movement, particularly on its ideological orientation⁷. Some of the earlier writing dealt with the political involvement of the mainstream labour movement in Canada⁸ as well as with some of the unique factors that marked the development of union ideology in Quebec⁹. It is clear from these earlier writings that the political involvement of Canadian unions, as well as their attitude at the bargaining table, was based on a philosophy of gradual reform rather than a rigid ideology of class confrontation. Recently, however, a coalition of unions in Quebec has been challenging the legitimacy of the political and

to assess their powerlessness at work and in the community, they invariably have begun the process of becoming mobilized and activated. Perhaps nowhere is the connection between job and neighborhood-community control clearer than around issues of the environment. Our experience suggests that workers are very much able to discern control in work arenas and its ties to decision-making in the community over matters such as economic growth, costs and benefits of pollution, and the overall quality-of-life factors.

A comparative perspective has become much more commonplace in the past decade, both for researchers and those engaged in various aspects of the economy and industrial nations. The connection between quality-of-life concerns and workers' control has been argued by English socialists and Chinese communists. Americans in labour and industry have been increasingly sensitive to the issues and the developments in other countries. The striking thing is that most of the arguments for reform in terms of worker participation in the American context already exist in some variant form in Western Europe.

It is clear enough that the North American situation differs from Yugoslavia but this is not a socialist-capitalist dichotomy. From worker representation on corporate boards and opening enterprise records to the public to shop-floor works councils and programs of worker education, the situation in Western European market economies does differ significantly from the North American situation. The projection into the future would indeed suggest that increased sharing of the results of industrial experiments will continue — these will likely be management-

...internal conflict will inevitably arise as gaps between theory and practice of self-management are perceived

prompted, some with union collaboration.

The national quality-of-work-life and productivity research program in the United States illustrates this, but there also is likely to be more and more attention given to developments across national boundaries as they affect each society. While students in the 1960s were protesting university bureaucracy and the role of the university in the wider society at Berkeley, students at Paris, Kent, Belgrade and Rome were listening and responded in equivalent terms. While some workers in Uppsala have expressed themselves on some issues, others in Detroit have paid attention. While workers in West Germany continue to push the system of co-determination, and the French expand the role of worker education, English trade unions have paid considerable attention. The worker participation prospects are difficult to specify, but the genie once out of the bottle is not likely to return.

One of the realities which we need not speculate about is the shift in market sectors, the growth of white-collar workers and the public or government employment sectors in North America and Western Europe. These are labour force categories in which unionization has expanded considerably in countries such as the U.S., or where the unions have strengthened their position, such as Sweden.

Of course, there is a long historical debate over the role of white-collar workers, the

equivalence of class consciousness for office and factory worker, and the logical unfolding of worker organization among white collars. What is certain is that generalizations about workers and worker participation and the role of labour in the coming years cannot be built with an exclusive view toward workers in the manufacturing sectors of industrial economies.

One important dimension which varies across national boundaries is the critical role of the state in economic planning beyond the realm of the enterprise. Comparative research needs to take this into account, and the contrast between Eastern and Western European nations reflects this factor. Yet there is considerable evidence of similarities of factory systems across economic-political structures.

A few years ago, Adolf Sturmthal outlined worker participation in the United States in the June 1969 issue of the *International Institute for Labour Studies Bulletin* and implied that the American system of free collective bargaining could not provide for greater levels of participation, yet we have seen important developments within the U.S. in the past decade — even some push for greater national economic planning. Systems closely allied to the U.S., such as Canada, have shown experiments with great potential, and the gamut of non-socialist Western European nations have demonstrated how far experiments have been able to go within the limitations of allegedly market economies. To be sure, the system of co-determination and various worker participation schemes in the West differ significantly from the Yugoslav system of socialist self-management. [g]

The foregoing was condensed from a paper presented at the International Industrial Relations Association Congress in Geneva, September 1976.

economic system. This politicization of the labour movement in Quebec has attracted considerable research interest, and formed the subject matter of a 1972 conference at Laval University¹⁰.

The effect of a politicized labour movement on collective bargaining in the public sector has been dealt with in a number of studies¹¹ and could be a fruitful area for additional research. More research is also indicated on the subject of strains and tensions in the organized labour movement in the rest of Canada. These strains are reflected in the phenomenon of breakaway groups from American-based international unions that have long been dominant in Canada. Other rivalries and schisms provide further fields for fruitful research.

Industrial relations as a field of study continues to emphasize the collective relationship, but other aspects of the world of work, whether or not in a unionized context, have recently been receiving considerable attention, notably by behavioural scientists. This reflects a growing concern in Canada, as in other industrialized countries, with the problem of worker alienation and its consequences for industrial relationships. However, in spite of a considerable body of research in progress on attitudes toward work and work relationships, the published material to date has been confined largely to journal articles¹². This explains why the teaching of personnel administration, organizational behaviour and related subjects, which has seen a dramatic upsurge in recent years, still relies almost entirely on American texts. Three books on organizational behaviour are currently in process of publication. Although much of the theory and methodology on which they rely was developed in

the United States, the cases and other data are Canadian and reflect some distinctive Canadian problems.

The collective bargaining literature in Canada has covered a wide range of material on the structure, process and results of bargaining both in general terms and in relation to particular industries or sectors. Most of the major industry studies, whether public investigations or private research, predate the period with which this paper is concerned¹³. However, the construction industry, which generated the most research in the past, continues to be the subject

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of study. Two government-appointed commissions of inquiry have recently reported¹⁴, the report of another is still to come¹⁵, a good summary analysis of construction industry studies has recently been published¹⁶ and another, dealing in some depth with the unique Quebec experience of centralized bargaining in construction, is due to be published soon¹⁷.

The question of unionization and the adoption of bargaining by new groups such as white-collar, professional, and government employees has added a new dimension to the labour-management relationship, brought new issues to the bargaining table and created some policy problems as well. There is remarkably little published material on white-collar bargaining as such, reflecting the limited bargaining experience by

this group, particularly in the private sector.

Collective bargaining by professional workers, on the other hand, has been the subject of several serious studies¹⁸. A major portion of the program of the 1975 conference of The Canadian Industrial Relations Research Institute was devoted to the relatively new phenomenon of collective bargaining by university faculty¹⁹. [LG, Oct. '75] This is still a controversial issue in Canada and an area in which future research may be expected. Although much of the research on public sector bargaining has focussed on policy issues, there have been some interesting studies of bargaining experience by public employees in Quebec²⁰, and the federal government²¹.

The problem of work stoppages has been a prominent theme in the collective bargaining literature. This has most frequently taken the form of studies of particular strikes. Most of these studies appeared before the period under review²². Two have recently been translated into English, having originally been written in French²³.

Labour history was long neglected as a separate field of study although many of the earlier studies of the labour movement as well as studies of particular strikes may be regarded as labour history in a general sense. Recent research on the Winnipeg General Strike of 1919²⁴ reflects the development of labour history as a separate field of study, carried out largely in history departments and using the research methods of historians. The relatively new and growing interest in labour history is also reflected in a number of recent publications on the earlier stages of labour and working class history, apart from the organized labour movement²⁵. The



publication of the first annual bilingual journal of labour history under the auspices of the Canadian Historical Association appeared in 1976.

Labour economics, as distinct from industrial and employee relationships, has been the subject of research by Canadian scholars for a considerable period of time. Its major preoccupation is with labour supply, including population studies, the changing labour force participation, and the influence of factors such as immigration and emigration on the changing quality of the working population, also with labour demand and the interaction of supply and demand in the labour market.

As with most Canadian research in

industrial relations, government agencies have been especially important in manpower studies, both through staff research and as sponsoring agencies. Much of the work on manpower problems and the development of manpower policies predates the period under review. However, some recent publications show that interest in the subject has continued. A significant recent trend is toward manpower program evaluation and a critical examination of the methodology of evaluation.

The question of tradeoff between unemployment and inflation has attracted the attention of economic analysts for a number of years, some of whom have recently been giving increasing attention to the validity of the Phillips curve or indeed even to its existence as employed by some econometricians²⁶. A valuable symposium by a group of scholars in Quebec universities recently examined the inflation problem in both the economic and social contexts²⁷.

Closely related to the problem of inflation, and of major concern to economists, is the issue of incomes policy which has been the subject of earlier research. The recent (1975) introduction of an anti-inflation program in Canada involving, inter alia, strict controls on wages may be expected to open the door to an expansion of economic analysis, also to research on the implications of a policy of wage control on collective bargaining and on industrial relations in general. A collection of recently published readings²⁸ contains reprints of articles on earlier Canadian experience, as well as the experience of foreign countries, with wage and price controls and guidelines; also reprints of previously published articles on basic principles and issues in

wage and price controls. The readings were selected to provide perspective on the current anti-inflationary program which is also discussed in some detail.

Industrial relations research has probably been strongest in the policy area, much of it generated by government-commissioned inquiries. While a few of these inquiries have covered the entire spectrum of labour relations, the majority have been concerned with particular problems or areas. The most comprehensive public inquiries were conducted before the period under review, as were some of the more noteworthy

Industrial relations research has probably been strongest in the policy area...

studies of particular problems and areas. However, problems in particular industries such as construction continue to generate public inquiries and academic research as does the ongoing debate on appropriate bargaining mechanisms between employers and employees in the public sector.

The most comprehensive of the scholarly works on public policy appeared more than a decade ago but has recently been revised and updated²⁹. Other policy research has tended in the past and continues to be selective, with dispute settlement remaining one of the major concerns. Other subjects that were studied earlier and continue to generate research interest include, inter alia, the problem of the appropriate bargaining unit, particularly in construction; the issue of


displacement through technological change; and the issues involved in rights arbitration — the latter being a particularly important aspect of public policy, given the almost complete prohibition in Canada on work stoppages during the term of a collective agreement.

The recent inquiries in Quebec and Ontario arising from violence and corruption in the construction

industry reflect a concern with the protection of civil liberties, a subject of some earlier scholarly writing. Much, though not all, of the policy research on particular issues such as civil rights, the use of injunctions, and arbitration, has been the work of legal scholars some of whom have also done interesting comparative analysis of labour legislation. The interest in comparative analysis arises from the fact that there is separate

labour legislation in each of the provinces and at the federal level, under the system of decentralized federalism in Canada. In spite of considerable consistency between jurisdictions on fundamental principles such as freedom to associate and bargain collectively there are also significant differences in the coverage of the laws, dispute settlement provisions, and other administrative devices.

1. The following are published regularly by the Canada Department of Labour: *Collective Bargaining Review* (Monthly), *Industrial Relations Research in Canada* (Annual), *Labour Organizations in Canada* (Annual), *Strikes and Lockouts in Canada* (Annual), *Women in the Labour Force* (Annual).
2. I.R. studies sponsored by the Economic Council of Canada include Jean-Réal Cardin, *Canadian Labour Relations in an Era of Technological Change*, 1967; Paul Malles, *The Institutions of Industrial Relations in Continental Europe*, 1973, and *Employment Insecurity and Industrial Relations in the Canadian Construction Industry*, 1975; Gérard Hébert, *Les Relations du travail dans la construction au Québec*, forthcoming.
3. Statistics Canada publishes the *Annual Report of the Minister of Industry, Trade and Commerce* under the Corporations and Labour Unions Returns Act. It also collects, analyzes and publishes statistics on occupational characteristics of the labour force, labour force participation, wage rates, seasonally adjusted employment figures, etc.
4. Studies by the Pay Research Bureau include comparative wage rates and analysis of collective agreements for information of the parties bargaining in the federal public service. Quarterly analysis of Federal Public Service Agreements is distributed regularly.
5. The most notable of these recent inquiries were in the construction industry in Ontario and Quebec, respectively. See Harry Waisberg, (Commissioner), *Report of the Royal Commission on Certain Sectors of the Building Industry* (two volumes), Toronto: Queen's Printer, 1974, and Robert Cliche (Président), Brian Mulroney, et Guy Chevrete, *Rapport de la commission d'enquête sur l'exercice de la liberté syndicale dans l'industrie de la construction*, Québec: Editeur officiel du Québec, 1975. See also the very valuable supporting studies for the Cliche commission (*Recueil des Annexes du rapport de la commission d'enquête sur l'exercice de la liberté syndicale dans l'industrie de la construction*, Québec: Editeur officiel du Québec, 1975).
6. Jacob Finkelman, *Employer-Employee Relations in the Public Service of Canada*, Ottawa: Information Canada, 1974.
7. Irving Abella, *Nationalism, Communism, and Canadian Labour: The CIO, The Communist Party and the Canadian Congress of Labour, 1935-56*, Toronto: University of Toronto Press, 1973.
8. Gad Horowitz, *Canadian Labour in Politics*, Toronto: University of Toronto Press, 1968.
9. Louis-Marie Tremblay, *Le syndicalisme québécois: idéologies de la CSN et de la FTQ, 1930-1970*, Montréal: Les Presses de l'Université de Montréal, 1972.
10. Gérard Dion, ed., *La politisation des relations du travail. XXVIIe Congrès des relations industrielles de l'université Laval*. Québec: Les Presses de l'Université Laval, 1973.
11. For one of the most valuable studies of collective bargaining in the public sector in Quebec, see Jean Boivin, *The Evolution of Bargaining Power in the Province of Quebec Public Sector (1964-1972)*, Québec: Département des relations industrielles, Université Laval, Les Presses de l'Université Laval, 1974. See also Shirley B. Goldenberg, *Labour Relations in Quebec: Past and Present*, Kingston, Ontario: Industrial Relations Centre, Queen's University, 1975, Reprint Series No. 28.
12. The few published volumes may be noted as exceptions, e.g., J.J. Loubser and M. Fullan, *Industrial Conversion and Workers' Attitudes to Change in Different Industries*, Study No. 12, Task Force on Labour Relations, Ottawa: Queen's Printer, 1969; William A. Westley and Margaret W. Westley, *The Emerging Worker*, Montreal: McGill-Queen's University Press, 1971.
13. The Federal Task Force on Labour Relations commissioned some interesting industry studies. See, inter alia, Stephen G. Peitchinis, *Labour-Management Relations in the Railway Industry*, Study No. 20, Task Force on Labour Relations, Ottawa: Queen's Printer, 1967; Ruby S. Samlalsingh, *Broadcasting, An industry Study*, Study No. 1, Task Force on Labour Relations, Ottawa: Queen's Printer, 1968.
14. Supra No. 5.
15. James Kinneard, Report of a Royal Commission on Construction in British Columbia, forthcoming.
16. Malles, Supra No. 2.

17. Hébert, *Supra* No. 2.
18. The first serious studies of professional bargaining were commissioned by the Federal Task Force on Labour Relations (Shirley B. Goldenberg, *Professional Workers and Collective Bargaining*, Study No. 2, Task Force on Labour Relations, Ottawa: Queen's Printer, 1968; J. Douglas Muir, *Collective Bargaining by Canadian Public School Teachers*, Study No. 21, Task Force on Labour Relations, Ottawa: Queen's Printer, 1968). See also Frances Bairstow; Hélène LeBel; Bryan M. Downie, and Archie Kleingartner, *The Professional Employee in the Public Service of Canada*, Montreal: Industrial Relations Centre, McGill University, 1972.
19. The papers presented at this conference have been published in *Relations Industrielles*, Vol. 30, No. 4 (1975). For the first study of faculty bargaining in Canada, see B.L. Adell and D.D. Carter, *Collective Bargaining for University Faculty in Canada* (Kingston, Ontario: Industrial Relations Centre, Queen's University, 1972), English and French.
20. Boivin, *Supra* No. 11.
21. Finkelman, *Supra* No. 6, made his recommendations for amendments to the law in the light of bargaining experience. L.W.C.S. Barnes and L.A. Kelly, *Interest Arbitration in the Federal Public Service of Canada*, Kingston, Ontario: Industrial Relations Centre, Queen's University, 1975, Research and Current Issues Series, No. 31 discuss the resort to arbitration under the bargaining experience to date. Barnes (*Consult and Advise: A History of the National Joint Council of the Public Service of Canada, 1944-1974*, Kingston, Ontario: Industrial Relations Centre, Queen's University, 1975, Research and Current Issues Series, No. 26) also discusses the evolution of consultative relationships, both before and after the adoption of formal collective bargaining.
22. For the most thorough study of industrial conflict see Stuart Jamieson, *Times of Trouble*, Study No. 22, Task Force on Labour Relations, Ottawa: Queen's Printer, 1968. Also Jean Francoeur, ed., *En grève*, Montréal: Editions du Jour, 1963, for a collection of articles on some of the major strikes by the French labour movement (CNTU) in Quebec and a more recent collection of readings, Irving Abella, ed., *On Strike, Six Key Labour Struggles in Canada 1919-1949*, Toronto: James, Lewis and Samuel, 1974.
23. P.E. Trudeau, ed., *La grève de l'amiante*, Montréal: Cité Libre, 1956. Trans. by James Boake, *The Asbestos Strike*, Toronto: James, Lewis and Samuel, 1974; Evelyn Dumas, *Dans le sommeil de nos os*, Ottawa: Editions Leméac Inc., 1971. Translated by Arnold Bennett, *The Bitter Thirties*, Montreal: Black Rose Publications, 1975.
24. Kenneth McNaught and David J. Bercuson, *The Winnipeg Strike: 1919*, Don Mills, Ontario: Longman Canada Ltd., 1974; David J. Bercuson, *Confrontation at Winnipeg*, Montreal: McGill-Queen's Press, 1974.
25. See, inter alia, Noel Bélanger et Jacques Bernier, *Les travailleurs Québécois: 1851-1896*, Montréal: Les Presses de l'Université du Québec, 1973; Jacques Rouillard, *Les travailleurs du coton au Québec (1900-1915)*, Montréal: Les Presses de l'Université du Québec, 1974; Gregory S. Kealey, *Hogtown: Working Class Toronto at the turn of the Century*, Rev. ed. Toronto: New Hogtown Press, 1974; Jean De Bonville, Jean-Baptiste Gagnepetit: *Les travailleurs Montréalais à la fin du XIXe siècle*, Montréal: Editions de l'Aurore, 1975; Steven Langdon, *The Emergence of the Canadian Working Class Movement, 1845-1875*, Toronto: New-Hogtown Press, 1975. The following represent the first specialized bibliographies of primary sources in working class history; Russell G. Hann; Gregory S. Kealey; Linda Kealey, and Peter Warrian, *Primary Sources in Canadian Working Class History 1860-1930*, Kitchener, Ontario: Dumont Press, 1973, and André Le Blanc et James D. Thwaites, *Le Monde ouvrier au Québec*; bibliographie rétrospective, Montréal: Les Presses de l'Université du Québec, 1973.
26. J.C.R. Rowley, and D.A. Wilton, "Empirical Foundations of the Canadian Phillips Curve," *Canadian Journal of Economics*, Vol. VII, No. 2 (1974), pp. 240-259.
27. Bertrand Belzile; Jean Boivin; Gilles Laflamme et Jean Sexton (eds.), *Inflation, indexation et conflits sociaux*, 30e Congrès des relations industrielles de l'Université Laval, Québec, Presses de l'Université Laval, 1975.
28. W.D. Wood, and Pradeep Kumar, *Canadian Perspectives on Wage-Price Guidelines*, Industrial Relations Centre, Queen's University, Kingston, Ontario, 1976.
29. H.D. Woods, *Labour Policy in Canada*, Second Edition. Toronto: Macmillan of Canada, 1973. 

The foregoing was condensed from a paper presented at the International Industrial Relations Association congress in Geneva, September 1976.

Labour legislation in Canada, 1976

Part IA: Labour relations — general

by William H. Langford

British Columbia, Alberta, and Manitoba have amended their industrial relations legislation, since January 1976.

The **British Columbia** modifications, effective June 30, 1976, relate mainly to three areas: multi-employer certification; strike and lockout prohibition; and pre-lockout vote and notice. Multi-employer certification is now included in provisions for the certification of a council of trade unions. The 21-day cooling off period in which strikes and lockouts are prohibited for fire-fighters, police, and hospital workers is increased to 40 days and the provision is extended to cover all trade unions and employers where strikes or lockouts may cause serious danger to life or health. The amendment provides for regulations to be made to deal with board supervision of strike and lockout votes.

In **Alberta**, the Labour Amendment Act came into force December 15, 1975, which amended aspects of the Board of Industrial Relations. Previously, the Act provided that the board and each member had the powers of a commissioner appointed under the Public Inquiries Act and could administer oaths and take affidavits and statutory declarations. The amendment directly places the power of administering of oaths and taking affidavits upon officers of the board, and the board's powers are

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spelled out more specifically. Board members, Public Emergency Tribunal members, the Director of Labour Standards and certain other designated persons are declared not to be competent or compellable witnesses in any court proceedings.

An additional prohibition is placed upon the employer or employer's organization or any person acting on their behalf. They must not refuse to employ, refuse to continue to employ, or discriminate against any person in regard to employment or any term or condition of employment because the person is an applicant for membership in a trade union.

As previously, the lieutenant-governor in council is empowered to declare a state of emergency and to order emergency procedures to resolve a dispute. Such powers hinged on such conditions as "serious jeopardy" of life or property and "extreme privation or human suffering" caused by "stoppage of services or work over an extended period of time." Emergency action may now be instituted in far less severe circumstances.

The composition of the tribunal is changed from three or more persons to one or more. Where

more than one person is appointed, the labour minister designates one person as chairman.

In **Manitoba**, extensive changes to the Labour Relations Act were proclaimed, December 1, 1976. At the same time, revised administrative rules of procedure and practice (gazetted October 16, 1976) are effective. The following are major changes: The definition of "professional employee" is expanded to require the employee, in the course of his employment, to have and apply specialized knowledge of a kind ordinarily acquired through graduation from a university or similar institution. The whole of Part I — Unfair Labour Practices and Infringement of Rights — is amended and clarified to emphasize unfair practices. Primarily, these changes replace the previous reference to infractions of the Act as being "guilty of an offence" by "commits an unfair labour practice," and reference to "judge or magistrate" is replaced by "the board."

An authorized agent of the employer or a supervisor of employees, who would not reasonably be expected to become a union member when a union is seeking to be certified as the bargaining agent — or is attempting to enlist members — is deemed to be interfering with the formation or selection of a union and thus committing an unfair labour practice if he indicates to

an employee who would be reasonably expected to be within the unit or to be requested to join the union that he objects to unions or to the union; or he prefers one union over another; or the attitude or policies of the employer will change in any way if the union is certified or a collective agreement is entered into.

The Act makes void any collective agreement provision requiring an employer to discharge an employee because the employee is, or continues to be a member of, or engages in activities on behalf of a specified union. The amendment also invalidates the discharge provision where it applied to a union other than a specified union.

A new section of the Act lays down proceedings. An application in writing for a remedy alleging that the person against whom the remedy is sought has committed an unfair labour practice may be filed with the board not later than six months after the unfair labour practice is alleged to have occurred or last occurred. The previous application for discrimination remedy limitation was 90 days.

Upon an application being filed, the board fixes a time and place for commencing a hearing and notifies the parties. At a hearing of an application the parties may submit evidence and argument. At the hearing, the board may direct witnesses to be called for examination before the board and documents to be presented and filed for examination by the board, and the board may direct questions to any witness before the board for the purposes of the application.

After hearing all evidence and argument before the board relative to the application, the board

makes a finding as to whether or not, in its opinion, a party to the application has committed an unfair labour practice. Where it finds that a party has committed an unfair labour practice, it also makes a finding as to whether or not any person has suffered loss or diminution of income by reason of the unfair labour practice and the amount of such loss or diminution. Nothing in the Act deprives any person of his freedom to express his views if he does not use intimidation, coercion, threats or undue influence, or interfere with the formation or selection of a union. At least 50 per cent of union members in good standing is now required for an application. Previously, only 35 per cent were required.

The new provisions change the terms for applications. Two or more unions joining in application for certification must have 50 per cent of members in good standing rather than the 35 per cent required previously.

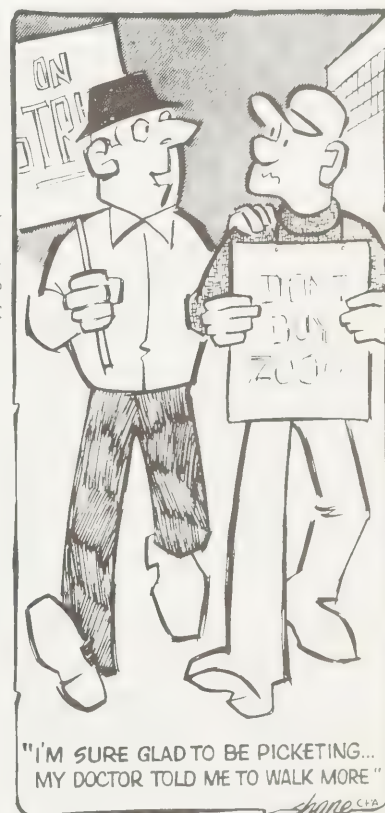
In addition to requiring 50 per cent of members in good standing in order for an application for certification to be made, the board may order a vote to be taken to determine the wishes of the employees in the unit as to the selection of a bargaining agent for them if the board is uncertain at the date of filing the application that the requirement has been met. As before, subject to certain rulings of the board, where the businesses of two or more employers are amalgamated or merged, the certifications and bargaining rights of the bargaining agent, if any, remain in force until duly cancelled or terminated. This provision was extended to purchase of a business. The amendment further extends the condition where the business, or

part of the business, of an employer is sold, leased, transferred or otherwise disposed of, to another person.

Where two or more bargaining agents are amalgamated or merged, any certifications of those bargaining agents remain in force under the new name or designation of the amalgamated or merged bargaining agent until duly cancelled or terminated.

Where two or more bargaining agents are merged, and the separate units of employees represented by those bargaining agents are, in the opinion of the board, a single unit appropriate for collective bargaining, the board may order that the units be merged and be thereafter one unit for collective bargaining, at such times and under such terms as

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will, in the opinion of the board, best serve the interests of the employees and their employers. The board may certify the amalgamated or merged bargaining agent for the merged unit.

Where a collective agreement is in force, no application to cancel the certification of the bargaining agent or to terminate the bargaining rights of the bargaining agent shall be made during certain specified periods.

If the board is satisfied that less than 50 per cent of employees in a unit support an employee's application to the board to cancel certification or terminate bargaining rights, it will dismiss the application.

The board will direct that a vote be taken to determine the wishes of the employees in the unit as to the selection of a bargaining agent to act on their behalf where an employee makes an application to the board to cancel certification or terminate the bargaining rights of the bargaining agent, and when the board is satisfied that more

than 50 per cent of the employees in the unit support the application. Where the board takes a vote on an issue, a majority of those voting on the issue shall determine the issue.

Members of religious groups may be exempted from payment of union dues and representation by the union. The Labour Board can authorize employment of a conscientious objector in a union shop and exempt that person from joining the union, although he or she must pay union dues. The union can exempt a conscientious objector from paying union dues but is not obligated to represent such employee or act on his behalf.

Newly certified unions that are having difficulty in obtaining a first agreement may request a "code of employment," enforceable as a collective agreement for one year. In a recent announcement, Labour Minister Russ Paulley stated that if an employer changes wages or working conditions without the union's consent during a one-year period after the 90 days following certification or the expiry of any

extension ordered by the Labour Board, the employer must, at the union's request, make a written code of employment setting out wages and working conditions as increased or altered.

Effective for one year following the union's request, the code would entitle employees to grievance arbitration, and it encompasses compulsory check-off of union dues.

The labour minister may maintain a list of persons who have, in his opinion, qualities and experience that make them suitable to act as mediators, arbitrators, or chairmen of arbitration boards in labour negotiations or labour disputes and who have indicated their willingness to act in all or any of those capacities. The labour minister may then make the list available to parties to labour negotiations or labour disputes.

The prohibition on strikes and lockouts may now be extended beyond the period of 90 days after the date on which the union was certified. **lg**

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A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

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comment

A call to improve Canadian productivity

In the 1960s and early '70s Canadians enjoyed real income gains that averaged about 5 per cent each year. Only half of this was due to increases in overall productivity. The other half was due to the expansion of jobs and work effort as more and more women and young people entered and stayed in the labour force.

Basically, productivity increases and additional effort are the only way that we as Canadians can hope to become materially better-off without dipping into each other's pockets. There is no other way. And those who expect their own and everyone's incomes to grow by say 10 per cent or more each year when productivity levels hover around 3 per cent, are merely contributing to the pressures that ultimately involve monetary accommodation and inflation.

Canada and the United States traditionally have had productivity growth rates lower than almost every other major western industrial nation. In the '60s and early '70s our productivity increases averaged 2.5 per cent annually, slightly less than the United States. Most of the industrial countries of Europe enjoyed productivity increases in the 4 to 6 per cent range and Japan averaged over 8 per cent annually. In 1974 and 1975 we had zero or negative productivity gains, and between those years the real value of family income declined. This year we are doing somewhat better but not exceptionally.

Why do we traditionally do so badly compared with other

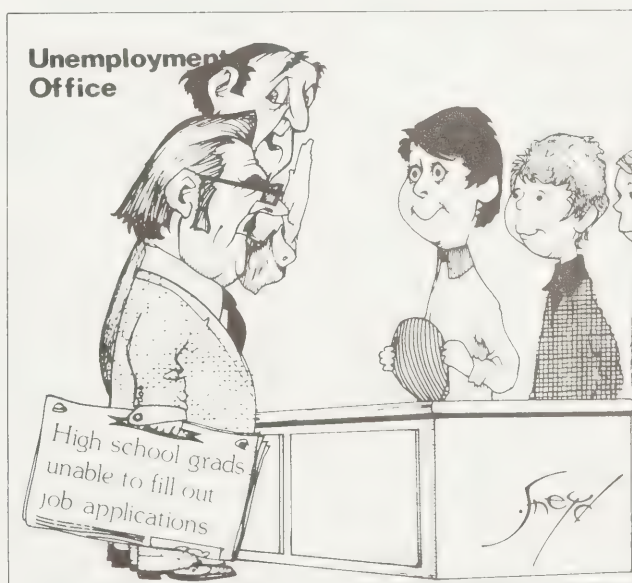
nations? One reason has to do with how we employ our resources. Next to the United States we have more persons than any other country in low-productivity tertiary-sector jobs. More than three out of five working Canadians are employed in non-primary and non-industrial jobs.

Admittedly our ability to measure the productivity of service sector workers is somewhat circumscribed. Nonetheless, our estimates indicate that three quarters of our increases in productivity come from secondary manufacturing and one quarter from our farms, mining and pulp and paper and other primary industries. The service sectors have made no contribution to measurable productive output in Canada despite their rapid expansion. We

have in short been directing our resources increasingly into precisely those areas where we get the least return in terms of overall economic growth.... Yet, if we are to continue to progress and to offer higher real incomes and more leisure to our children it is to the competitiveness and the efficiency of our primary and secondary industries that we must look.

How well are we doing on these fronts? The answer is, not very well. Our agricultural and forestry output has grown slowly over the past decade, our harvest of fish has shrunk and the rates of increase in mining and in oil and gas have declined.... There are real imbalances in the productive capability of our manufacturing enterprises in Canada, and wide variations in efficiency from one

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"They don't seem to have any trouble filling out an unemployment compensation application."

product to another and from one region to another.

Regionally, the imbalance is compounded because traditionally some low productivity enterprises are more concentrated in some areas than in others. But even if you remove the variation associated with the different industrial structure of each region the productivity in Ontario manufacturing firms is roughly 50 per cent higher than in the Atlantic Provinces and almost a quarter higher than in Quebec.

Internationally the situation is equally gloomy. In the 1960s we were doing well. Our exports of non-automotive manufactured goods grew at annual rates slightly higher than our corresponding imports of these products. Our exports of automotive products mushroomed. But in the '70s there has been a complete turnaround. Automobiles are no longer providing the driving force of our trade structure. Increasingly Canadians are turning to foreign suppliers. And this despite the fact that real wage increases in many countries have run considerably ahead of Canada's. Since 1971 our exports of non-automotive manufactured goods have grown at a rate of 1 per cent annually compared to imports increasing at 9 per cent annually. The price index of Canadian manufactured goods relative to the United States' has risen steadily since 1965. Our exports as a percentage of world exports has been dropping for over a decade. This reflects a serious weakening of Canada's economic structure, attributable to shortcomings in modernization and investments in new plant and capacity.

The gravity of the situation has been compounded by the dramatic turnaround in the pattern of trade

in crude petroleum. In 1973 and 1974 oil was a source of strength in Canadian trade because Canada was a net exporter of petroleum with a surplus of more than \$900 million in 1974. In 1975, oil showed a net trade deficit of nearly \$300 million, a swing of \$1.2 billion in just over one year. By 1985 our estimates suggest that we will have a trade deficit of 2 billion dollars annually for petroleum alone. The result has been very severe balance-of-payment difficulties, and no immediate prospect for their resolution. At the moment, our overall foreign indebtedness is running about 50 billion dollars, and growing.

Let us stand back now and get some perspective. As a nation we are, in real terms, more than twice as rich as we were a generation ago. We are saving more than ever before. We had a dream once that we could go into debt in the early stages of our economic evolution, build up the structure and diversity of our industrial base, mature, and compete, and pay off our debts. But what has happened? Our manufacturing base other than automotive enterprises has generally become less not more competitive. We continue to rely on our natural endowments as the main source for our export competitiveness. The energy scenario is gloomy. And we are more in debt than ever before.

It is true that the recent depreciation of the Canadian dollar will help, but by itself it represents only a temporary palliative. A longer-term solution involves the strengthening of the competitive efficiency and productivity of our industries. The challenge confronts all of us, labour and business no less than governments. We simply cannot afford the me-too attitudes to wage and price increases that ignore the inevitable inflationary pressures on costs and competitive productivity.

We cannot afford the narrow parochialism of business and labour leaders who fear the fresh winds of competition and technological change. We cannot afford to continue to channel our investments and resources into low-productivity slow-growth enterprises or into new government expenditures that serve only marginal needs. The longer-term solution involves a strengthening of the competitive efficiency of our industries. This means opening our doors wider to the competitive cut and thrust of world trade. For despite our depreciated currency and our tariff and non-tariff trade barriers, our situation will not measurably improve until our business leaders have the courage to take the export battle to their competitors.

It means widening competition in areas such as financial intermediaries, and containing the excessive use of market power. It means dismantling some of the self-serving, self-protective mechanisms associated with certain industries and occupations, — and I include here some marketing and regulatory agencies that favour the large producers, and professional and licenced associations which impose unnecessary quality requirements and entry barriers, both to the detriment of consumers and taxpayers.

It means re-examining closely the collective bargaining relationships between public agencies and organized labour since unlike most plant-level situations the costs of public sector disputes and work stoppages are borne directly by the general public. And it means more direct and explicit accountability by all levels of government with respect to the tax dollars they raise and those which they spend.

Robert A. Jenness

*Performance Group director,
Economic Council of Canada*

Books

Labour Arbitration and All That

by **John P. Sanderson, Q.C.**,
Richard de Boo Limited, Toronto,
1976. 133pp.

The grievance arbitration process is a vast and complex subject. The outstanding merit of this book is that the author has succeeded in producing, at an acceptable level of generality and standardization, a concise, authoritative, practical and pragmatic working manual for anyone interested or involved in the field of grievance arbitration in Canada.

Useful data and tactical advice are provided on the individual components of the grievance arbitration process in logical sequence. The book includes information on grievance processing, establishment of the arbitration forum including the choice of arbitrators, preparation for grievance arbitration hearings, presentation of cases at the preliminary, evidentiary, and argument stages of the hearing, as well as the rendering, enforcement and setting aside of arbitration awards.

The text is by no means dry. The language is sufficiently simple and straightforward for the layman to understand and the book contains a number of humorous, forceful illustrations of various points drawn from actual cases.

Although the author is a lawyer, he has not intended his work to be a legal text on grievance arbitration. Consequently, one finds the book

unencumbered by citation or analysis of individual labour arbitration cases. Likewise, there is little discussion of the differences between legislation governing grievance arbitration in specific Canadian jurisdictions. For the most part, this last feature is an advantage in terms of the concise treatment of a "standard" arbitration case.

To a minor degree, however, there are some points in the book where one might wish to have a clearer indication of whether the general statements apply to all jurisdictions in Canada, and if not, to which jurisdictions they do apply. This is especially so where specific references to the Ontario legal context are made by way of example.

The advice and insights afforded regarding the stages before the hearing might have the effect of promoting more frequent settlement of grievances without arbitration by encouraging, for example, more disclosure of information, although there is no legal obligation in this regard. The discussion

of grievance processing moreover, pays due attention to the effect of grievance handling on the inter-relationship on a long-term basis of the employer, the union representatives and the employees.

In a more detailed work one might perhaps wish to see more discussion of such matters as the degree of authority given to various levels of union and management to settle grievances at different stages of the grievance procedure — factors which determine whether or not grievances are pursued, including those factors which do not flow from the actual merits of the grievance, and the relative authority of unions and individual grievors, on the decision whether or not to pursue grievances.

Other matters which might usefully be treated in a lengthier practical and pragmatic work include the possible factors on which a compromise solution of a grievance without arbitration might be based and the relative meaning of "compromise" for the union on the one hand and the individual grievor on the other. Moreover, it

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Labor Studies Journal is the title of a new three-times-a-year periodical for those interested in labour education. It is published by the University and College Labor

Education Association, which is supported by 40 U.S. universities and colleges that offer labour education programs. The subscription rate is \$12 a year. For further information, contact the periodical's business manager, Professor Charles Craypo at Pennsylvania State University's department of labour studies.

might be useful to examine the role of complaints which cannot be entertained as grievances or heard by an arbitrator but which nevertheless have potentially destructive implications for bargaining relationships.

In order to advise representatives on effective preparation for and participation in arbitration hearings, steps to be taken and pitfalls to be avoided are carefully set out. The discussion on preparation for the hearing focuses on practical aspects of gathering the necessary information, interviewing witnesses, structuring evidence, making use of subpoenas, analyzing the issues involved in the case and determining which arguments and submissions are to be presented and which precedents are to be used.

The book then examines the arbitration hearing itself and reviews in an orderly fashion each part of the hearing, including the first stage concerning preliminary matters including objections that may be taken as to the jurisdiction of the arbitrator or arbitration board, questions of arbitrability, the filing of certain documents and the delivery of opening statements. It also examines the second stage consisting of the evidentiary part of the hearing and involving the examination and cross-examination of witnesses, and the final stage consisting of the argument.

Practical and indispensable advice is given to the representative both as to what is going to happen at the hearing at each of these stages and as to the proper principles or approaches which he

"Non-traditional" occupations outlined

Profiles of nine women who work in skilled trades, and who "love their work" are available in a new pamphlet published by the information service of the Ontario ministry of colleges and universities.

The profiles are of a machinist, a woodworker, a plumber, a small-engine mechanic, an auto body mechanic, a saw filer-fitter, a welder and two motor and equipment repairers.

"Many of the women decided to train for a skilled trade after

working for some time in offices in low-paying clerical jobs they found uncongenial," says *Women's Bureau News Letter*, published by the Ontario ministry of labour.

"Most report they did not discover their mechanical aptitude until they were well out of high school because when they were teen-agers courses such as carpentry or auto-mechanics were restricted to boys."

"They love their work; they are doing well, and have the respect of their colleagues," the report adds. "The 'problem' of being women in so-called male jobs appears to them to have been vastly exaggerated."

should adopt in order to effectively fulfil his role. As a by-product this part of the book sheds useful light on the appropriate roles of other participants in the hearing — arbitrators, nominees, and witnesses. A short discussion follows indicating the mechanics of rendering awards. The material on the deliberations of tripartite arbitration boards is especially illuminating. Attention is given also to questions of compensation pursuant to arbitration awards as well as the enforcement and setting aside of awards.

While the book contains a separate chapter entitled "Legal Issues" the author cautions that the chapter is intended only as a brief and general discussion of

legal issues that may arise during the course of a given arbitration. With this caveat in mind, the chapter does indeed offer a broad understanding of a number of basic legal matters, although the discussion might have benefited from a clearer indication of which portions of the summary apply universally in Canada, or alternatively what if any, significant variations exist in different Canadian jurisdictions.

—Allan J. Torobin

Allan J. Torobin is an Officer with Labour Canada's arbitration services unit

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, December

The Consumer Price Index for Canada (1971 = 100) advanced 0.3 per cent from 152.2 in November to 152.7 in December, and was 5.8 per cent above its level of December, 1975. An increase in shelter charges accounted for about two fifths of the latest increase, while food prices rose 0.4 per cent and were responsible for an additional one quarter of the advance. The index for all items excluding food, advanced 0.3 per cent. Higher prices for fresh milk, bread, processed fruit and vegetables, chocolate bars and coffee, and restaurant meals, were chiefly responsible for the 0.4 per cent rise in the food index level. Partially offsetting these increases were lower prices for beef, pork, poultry and fresh fruit. The index for food consumed at home was 2.3 per cent lower in December 1976 than a year ago.

In terms of goods and services, the price level of goods, including food, increased 0.2 per cent in the latest month and that for services increased 0.4 per cent. Between December 1975 and December 1976, the price level of services increased 11.1 per cent compared with a 2.8 per cent rise for goods.

City consumer, December

Consumer price indexes rose in 13 regional cities, and were unchanged in one, between November and December. Move-

ments ranged from 0.1 per cent in Halifax, Edmonton and Vancouver, to 0.7 per cent in Saint John. Percentage increases listed in the 13 regional cities were: 0.1 in Halifax, Edmonton and Vancouver; 0.2 in Regina and Calgary; 0.3 in Quebec and Toronto; 0.4 in Ottawa, Winnipeg, Saskatoon and St. John's; 0.5 in Montreal; 0.7 in Saint John.

Employment, December

The seasonally adjusted employment level in December was 9,546,000, a decrease of 33,000 from November, Statistics Canada reported. The level declined by 12,000 for women 15-24 years old and by 19,000 for women 25 years of age and over. It declined by 5,000 for men aged 15-24, and increased by 3,000 for men 25 and over. By province, the seasonally adjusted employment level declined in British Columbia by 26,000; in Manitoba by 7,000; in Alberta by 4,000 and in Ontario by 3,000. It increased in Quebec by 5,000 and in Nova Scotia by 3,000. In Saskatchewan, New Brunswick, Prince Edward Island, and Newfoundland the level was unchanged.

Unemployment, December

The seasonally adjusted unemployment rate for December (778,000) increased by 0.2 per cent to 7.5 per cent. For men aged 15-24, the rate increased by 0.3 per cent to 13.9 per cent and by

0.7 per cent to 14.0 per cent for women in the same age group. The rate increased by 0.2 to 4.4 per cent for men 25 and over and by 0.2 per cent to 6.7 per cent for women 25 and over. By province, the unemployment rate increased by 1.5 per cent to 8.8 per cent in British Columbia; by 0.5 per cent to 4.0 per cent in Alberta; by 0.3 per cent to 6.5 per cent in Ontario; and by 0.3 per cent to 4.9 per cent in Manitoba. The rate decreased by 1.5 per cent to 8.6 per cent in Prince Edward Island; by 1.4 per cent to 9.8 per cent in Nova Scotia; by 1.0 per cent to 13.8 per cent in Newfoundland; and by 0.7 per cent to 10.3 per cent in New Brunswick. Quebec, at 9.8 per cent, and Saskatchewan, at 3.4 per cent, were unchanged.

Earnings, November

Average weekly earnings in Canadian industry were \$236.29 in November, an increase of 10.7 per cent from \$213.37 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$271.17; Alberta, \$247.56; Ontario, \$236.12; Newfoundland, \$230.34; Quebec, \$230.25; Saskatchewan, \$222.47; Manitoba, \$215.73; New Brunswick, \$210.94; Nova Scotia, \$198.80; and Prince Edward Island, \$178.61.

Average weekly earnings in November, by industry division, were: construction, \$349.26; mining, \$332.56; forestry, \$311.98; transportation, communication and other utilities, \$272.01; manufacturing, \$251.26; finance, insurance and real estate, \$218.56; trade, \$179.29; and service, \$165.12. Compared with November a year ago, average hourly earnings increased 13.4 per cent in manufacturing, 12.0 per cent in construction and 11.1 per cent in mining.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.35 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

Additions to the Library

LIST NO. 333

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the publication numeral and the month.

ACCIDENT PREVENTION

1. **Centrale des syndicats démocratiques.** La sécurité au Québec. Montréal, 1976. 47p.

ARBITRATION, INDUSTRIAL

2. **Compulsory arbitration: an international comparison**, by J. Joseph Loewenberg and others. Lexington, Mass., D.C. Heath and Company, 1976. 213p.

3. **Pops, Gerald M.** Emergence of the public sector arbitrator. Lexington, Mass., Lexington Books, 1976. 136p.

COLLECTIVE BARGAINING

4. **Better, Maurice Bernard.** The collective bargaining process: case study and analysis. Ann Arbor, Mich., Xerox University Microfilms, 1976. 507p.

CORPORATIONS, INTERNATIONAL

5. **Buckley, Peter J.** The future of the multinational enterprise, by Peter J. Buckley and Mark Casson. London, Macmillan, 1976. 116p.

COST OF LIVING ADJUSTMENT

6. **Ferguson, Robert Harry.** Cost-of-living adjustments in union-management agreements. Ithaca, N.Y., New York State School of Industrial and Labor Relations, Cornell University, 1976. 71p.

DISCRIMINATION IN EMPLOYMENT

7. **Parlin, Bradley W.** Immigrant professionals in the United States; discrimination in the scientific labor market. New York, Praeger, 1976. 97p.

ECONOMIC POLICY

8. **Bacon, Robert William.** Britain's economic problem: too few producers, by Robert Bacon and Walter Eltis. London, Macmillan, 1976. 194p.

9. **Breton, Albert.** The regulation of private economic activity. Montreal, C.D. Howe Research Institute, 1976. 18p.

10. **Jones, H.G.** Planning and productivity in Sweden. London, Croom Helm, 1976. 212p.

EMPLOYEES' REPRESENTATION IN MANAGEMENT

11. **Kanungo, Rabindra N.** The role of salary level and cultural background in managerial motivation, by R.N. Kanungo and G.J. Gorn. Montreal, McGill University, 1976. 16p.

12. **Symposium on Workers' Participation in Decisions within Undertakings, Oslo, 1974.** Workers' participation in decisions within undertakings; summary of discussions of a Symposium on Workers' Participation in Decisions within Undertakings, Oslo, 20-30 August 1974. Geneva, International Labour Office, 1976. 129p.

HEALTH, PUBLIC

13. **U.S. Council on Wage and Price Stability.** The problem of rising health care costs. Washington, G.P.O., 1976. 30p.

HOURS OF LABOUR

14. **Turgeon, Bernard.** Les horaires variables: examen de la littérature. Québec, Ministère du travail et de la main-d'oeuvre, Direction générale de la recherche, 1976. 165p.

INDUSTRIAL DISPUTES

15. Centrale des syndicats démocratiques. Le conflit chez Bélanger: un défi pour tout le comté de Montmagny. Montréal, 1976. 26p.

16. Pesquet, Jacques, comp. Soviets at Saclay? The first assessment of an experiment in setting up Workers' Councils at the Atomic Energy Commission Centre for Nuclear Research, Saclay. Translated by Robert Biel. London, Stage 1, 1976. 71p.

17. Phillips, Gordon Ashton. The General Strike: the politics of industrial conflict. London, Weidenfeld and Nicolson, 1976. 388p.

18. Wigham, Eric Leonard. Strikes and the Government 1893-1974. London, Macmillan, 1976. 206p.

INDUSTRIAL RELATIONS

19. Labour-Management Conference, Brantford, Ont., 1976. Labour-Management Conference... Brantford, Ontario, February 5, 1976. Theme: A realistic approach to industrial relations. Ottawa, Canada Dept. of Labour, Employment Relations Branch, 1976. 62p.

JOB SEARCH

20. Bruce, Christopher J. Job search and frictional unemployment: some empirical evidence, by C.J. Bruce and J.H. Marshall.

Calgary, University of Calgary, 1976. 19, 2p. (Calgary University Department of Economics. Discussion paper series, no. 36).

21. Marshall, James H. Job-search behaviour among frictionally-unemployed workers, by James H. Marshall with Christopher J. Bruce. Calgary, University of Calgary, 1976. 109p.

LABOUR ORGANIZATION

22. Williams, Fred Laurence. Union democracy in France: the French Democratic Confederation of Labor (CFDT). Ann Arbor, Mich., Xerox University Microfilms, 1976. 375p.

MINIMUM WAGE

23. Aykroyd, C. A survey of recent Canadian minimum wage research, prepared on behalf of the Statistics and Research Committee of the C.A.A.L.L. Ottawa, Canada Dept. of Labour, 1976. 60p.

OLD AGE PENSIONS

24. Greenough, William Croan. Pension plans and public policy, by William C. Greenough and Francis P. King. New York, Columbia University Press, 1976. 311p.

PRODUCTIVITY OF LABOUR

25. Sibson, Robert Earl. Increasing

employee productivity. New York, American Management Association, 1976. 210p.

26. Sutermeister, Robert A., ed. People and productivity. 3d ed. New York, McGraw-Hill, 1976. 475p.

SOCIAL PROBLEMS

27. Mackasey, Bryce Stuart. What's behind the lemming urge? and other reflections on social conflict. Ottawa, Public Affairs Branch of Canada Post, 1976. 74, 94p. Titre en français: Le syndrome du lemming, et autres allocutions sur les conflits sociaux.

TEXTILE INDUSTRY

28. Centrale des syndicats démocratiques. Le malaise dans les textiles canadiens ou le geste de la dernière chance. Montréal, 1976. 1v.

WOMEN — EMPLOYMENT

29. Burrow, Martha G. Women: a worldwide view of their management development needs. New York, AMACOM, 1976. 21p.

30. Women in the economy: full freedom of choice; report of a conference held September 11-13, 1975. Washington, GPO, 1976. 47p.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*				
Week ended November 13, 1976		(unadjusted figures, in thousands)		
Employed.....	November 1976	10,299	- 0.4	+ 3.2
Agriculture.....	" "	9,592	- 0.7	+ 1.5
Non-agriculture.....	" "	482	- 6.0	+ 4.7
Paid Workers.....	" "	9,110	- 7.1	+ 2.6
At work 35 hours or more.....	" "	8,625	- 7.2	+ 3.8
At work less than 35 hours.....	" "	5,500	+ 66.0	- 2.8
Employed but not at work.....	" "	3,654	- 36.8	+ 11.7
		437	- 22.5	+ 8.4
(change in thousands)				
Unemployed.....	November 1976	708	+ 29	- 22
Newfoundland.....	" "	25	+ 2	+ 1
Nova Scotia.....	" "	34	+ 2	+ 11
Prince Edward Island.....	" "	4	—	—
New Brunswick.....	" "	27	+ 1	+ 1
Quebec.....	" "	237	+ 3	+ 26
Ontario.....	" "	227	+ 4	- 6
Manitoba.....	" "	20	+ 3	- 2
Saskatchewan.....	" "	13	+ 1	—
Alberta.....	" "	32	+ 3	+ 5
British Columbia.....	" "	88	+ 7	- 14
Without work, seeking work and available for work.....	" "	642	+ 32	+ 46
percentage change				
INDUSTRIAL EMPLOYMENT (1961 = 100) ^f	August 1976	147.3	+ 2.7	+ 2.4
Manufacturing employment (1961 = 100) ^f	" "	131.1	+ 3.8	+ 2.7
IMMIGRATION.....	First 9 months 1976	117,511	—	—
Destined to the labour force.....	" " "	48,590	—	—
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	October 1976	154	- 12.0	- 36.9
No. of workers involved.....	" "	904,733	+ 565.1	+ 711.6
Duration in man days.....	" "	1,646,507	- 5.4	+ 26.7
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^f	August 1976	230.49	+ 12.3	+ 11.7
Average hourly earnings (mfg.) ^f	" "	5.80	+ 14.4	+ 14.4
Average weekly hours paid (mfg.) ^f	" "	38.5	+ 1.0	+ 0.3
Consumer price index (1971 = 100).....	November 1976	152.2	+ 0.3	+ 5.6
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^f ...	August 1976	149.3	+ 8.3	+ 7.6
Total labour income (millions of dollars) [†]	October 1976	9,114.1	+ 2.1	+ 14.8
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100).....	October 1976	118.3	- 1.3	+ 4.4
Manufacturing.....	" "	117.2	- 2.1	+ 3.6
Durables.....	" "	116.1	- 4.6	- 0.8
Non-durables.....	" "	118.3	+ 0.4	+ 8.2
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	October 1976	16,471	—	- 29
Completions.....	" "	17,169	—	+ 4
Under construction.....	" "	164,967	—	+ 15

* Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

† Advance data

‡ Preliminary

** Centres of 10,000 population or more

^f Revised

STRIKES AND LOCKOUTS

The Labour Gazette will no longer carry a table on strikes and lockouts involving 100 or more workers. This information is available on request from the Labour Organizations and Labour Disputes Division, Labour Canada, Ottawa K1A 0J2.

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, OCTOBER 1976

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,170	1,216	592,220	9,255,120	0.46
1975	977	1,054	482,180	10,894,190	0.53
1975 Month					
October	70	244	111,470	1,298,900	0.72
November	55	197	91,697	1,442,020	0.88
December	28	176	82,266	1,106,620	0.64
*1976					
January	35	154	54,756	813,660	0.47
February	53	156	150,369	573,770	0.35
March	83	157	172,608	432,270	0.23
April	75	153	303,957	669,470	0.38
May	96	168	265,912	653,010	0.38
June	125	233	187,524	1,131,820	0.59
July	69	183	78,020	1,271,320	0.68
August	78	193	89,791	942,950	0.50
September	54	175	136,027	1,738,990	0.97
October	49	155	904,953	1,646,500	0.92
January-October: 1975		981		8,260,240	0.51
January-October: 1976		836		9,873,760	0.51

* Preliminary.

WORK STOPPAGES BY INDUSTRY, OCTOBER 1976 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to Oct.)
		Number	Workers involved	
Agriculture	0	0	0	0
Forestry	1	2	580	2,010
Fishing	0	0	0	350
Mines	1	4	3,050	19,280
Manufacturing	21	75	25,124	355,540
Construction	5	13	28,083	273,600
Transp. & Utilities	5	21	2,834	27,580
Trade	2	15	1,690	14,730
Finance	0	2	62	1,240
Service	8	15	10,294	103,060
Public Admin.	5	7	3,236	19,460
Various industries	1	1	830,000	830,000
TOTAL	49	155	904,953	1,646,500

WORK STOPPAGES BY JURISDICTION, OCTOBER 1976 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to Oct.)
		Number	Workers involved	
Nfld.	5	6	932	2,060
P.E.I.	0	1	110	2,200
N.S.	0	2	1,650	15,400
N.B.	2	5	2,718	7,580
Québec	10	70	50,545	628,630
Ontario	17	36	7,011	74,940
Manitoba	0	1	145	2,900
Saskatchewan ...	2	7	1,779	12,020
Alberta	4	8	3,922	27,430
B.C.	6	10	2,111	12,920
Canada wide	1	1	830,000	830,000
Total, provinces*	47	147	900,923	1,616,080
Federal				
Public Service(1)	0	0	0	0
Federal Industries(2)	2	8	4,030	30,420
Federal total	2	8	4,030	30,420
TOTAL	49	155	904,953	1,646,500

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

* Day of protest, Oct. 14, 1976.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition)

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-21/1975

Strikes and Lockouts in Canada, 1973 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual) Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-1/1973.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's

participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31 1967. (Changes in workmen's compensation laws are published yearly and are available free on request). (English or French). Price \$1.00. Cat. No. L34-1969.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue no. L34-23/1976

Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

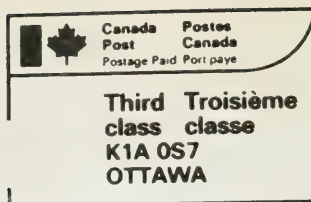
Bibliography, Occupational Safety and Health. Lists some 500 selected holdings of Technical Library, Accident Prevention Division, 1974. Free.

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the labour gazette

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Canada**

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ERRATUM

Owing to a technical error in printing, page 79 precedes page 78 in our February edition. We regret any inconvenience that this may have caused.

HEALTH AND SAFETY

Company sets safety record

The 450 employees of the Northern Telecom Ltd. plant in Lachine have set a safety record for the company in Quebec province — 2,000,000 man-hours without a lost-time accident. The plant, which produces switching and transmission products, did not record any lost-time accidents between Nov. 5, 1974 and Nov. 23, 1976.

Women exposed to more occupational hazards

A research report published by the federal Advisory Council on the Status of Women finds women are exposed to a greater number of occupational health hazards than in the past. It offers two reasons: the number of women in the work force is increasing and they are aspiring to a wider variety of occupations, many of them detrimental to health.

The 127-page report, by Anne George, entitled, *Occupational Health Hazards to Women — a Synoptic View*, includes a bibliography, a list of the main occupational health laws in Canada, and several statistical tables. It also discusses possible risks involved in occupations in which women have been traditionally employed, including:

- airline flight attendants — fatigue, noise, carbon monoxide, 'jet lag';
- dental aides — exposure to anesthetic gases, mercury and radiation from X-rays;
- electrical and electronic workers — arsenic, asbestos, lead, mercury and others;
- hairdressers — "a large variety of commercial products which may be hazardous";
- hospital employees — accidents, toxic chemicals, excessive radiation, contact with contagious diseases;
- laboratory workers — infections, toxic chemicals, use of radiation equipment;
- office workers — poor ventilation, poor lighting, noise, monotony, impersonal work situations and "long hours of sitting in one place" which can be hazardous in an improperly adjusted chair;
- teachers — stress, and contagious diseases including mumps, measles and influenza.

The report says women who work in the textile industries or for laundries and dry cleaning firms are also exposed to a variety of chemicals, but such hazards are not unique to women in the paid work force. Employees sometimes bring home hazardous products on their clothing or even on their bodies.

INDUSTRIAL DEMOCRACY

Controversial proposals debated in Britain

A government-commissioned report proposes giving British workers more control over the operation of companies than employees have in either West Germany or Sweden.

The proposal has run into opposition from many industrialists, and even from three members of the committee that conducted the study. They have drawn up their own dissenting minority report.

The committee was made up of unionists, lawyers and industrialists under the chairmanship of Lord Alan Bullock, master of St. Catherine's College, Oxford University. The proposals in their majority report would require companies with more than 2,000 employees to have:

- an equal number of stockholder and employee representatives on company boards, along with a third group of selected directors; the employee representatives would be chosen through recognized unions;
- the creation of an industrial democracy commission to supervise the system;

The participation plan would go into effect in a company only if one third of the employees voted for it.

For companies with between 2,000 and 10,000 employees there would be four worker representatives, four representing stockholders and three independent members. For firms with more than 25,000

employees, the division of representatives would be seven workers, seven stockholders and five independents. The government is expected to allow at least a year for public debate on the proposals before deciding whether to embody any of them in legislation.

Union reaction is generally favourable. A poll published by the *Financial Times of London* found 63 per cent of union members in favour of the proposals, 25 per cent opposed and 12 per cent with no opinion.

David Basnett, general secretary of the 881,000-member General and Municipal Workers Union — the country's third largest — denounced the Bullock report as "irrelevant to the trade union movement" and called for something "more radical and fundamental."

The report also drew criticism from the influential British weekly, *The Economist*. It described the report as "misleading" because it "proposes a significant step toward union control of industry while posing as the saviour of the mixed economy." Its "worst feature" was "leaving the choice of who should have the board-room seats to cliques of shop stewards."

"Workers who choose one kind of shop steward to bargain for them may want people with different qualities to represent them in the board room," the magazine argues.

The Economist criticized the main report as "essentially a catalogue of concessions to the TUC's view of industrial democracy," and the minority report as a "not-too-subtle attempt to evade board level participation altogether." And it said the best proposal would be a bill allowing industry to choose from a range of participation

options, with a legally enforceable fallback (if both sides could not agree) involving worker directors "to spur both sides on."

Public in favour

A Gallup Poll has found considerable public support for worker representation on the boards of Canadian companies. About 71 per cent of 1,053 Canadians polled in early December approved the idea. And about 65 per cent of the respondents were in favour of workers having access to information on their company's financial situation. Only 14 per cent said worker directors were a bad idea, while 15 per cent said they didn't know. About 24 per cent said providing access to financial information was bad and 11 per cent said they didn't know.

The questions posed: "Do you think it would be a good or bad thing if workers in large companies were able to elect members on the board of directors?" and "Do you think it would be a good or bad thing if workers had access to information on their company's financial situation?"

ABSENTEEISM

High toll on productivity

The *Financial Times* of Canada says absenteeism costs Canada half as much lost potential production as unemployment and more than eight times as much as strikes and lockouts.

"Almost 745 million hours of production were lost in 1975 to

sickness, tardiness, fatigue and a variety of other causes, including decisions by many employees simply to take a day off work," the Toronto-based weekly newspaper said.

The estimate is based partly on a survey of 60 public and private employers which indicates that industry loses an average of 4 per cent of its production time to absenteeism — an estimated 744.6 million hours or 18.6 million weeks, based on the country's 9.31 million active labour force members "each theoretically capable of working 2,000 hours in the year."

"Multiplying that number of weeks by Statistics Canada's \$203.34 average all-industry weekly wage implies that employers paid out \$3.8 billion in wages for which they got no work," the newspaper contends.

That represents 125 per cent of the cost of operating the Unemployment Insurance Commission, it adds.

The newspaper also notes that while Canadian industry lost 11 million man-days to industrial disputes, "at eight hours a day, the 745 million hours lost through absenteeism works out to more than 93 million lost man-days."

LABOUR LEGISLATION

Canada Labour Code amendments proposed

Labour minister John Munro has proposed a series of amendments to Part III of the Canada Labour Code relating to employment standards for employees within federal jurisdiction.

In the House of Commons, Munro introduced a bill that would:

- enable employers and employees to adopt a modified work week;
- increase from eight to 10 the number of general holidays in the year;
- provide an extra week's vacation for employees with six or more years of service.

The modified workweek proposal would permit employers and employees within an undertaking to jointly adopt — after ministerial approval — whatever work schedule they prefer, provided that over a stated period total hours worked would average the current

40-hour week. The eight general holidays now granted would be augmented by Boxing Day and Heritage Day, the third Monday in February.

The existing two-week annual vacation, with vacation pay at 4 per cent of earnings, would be increased to three weeks, with pay at 6 per cent, for employees with six or more years of service with one employer.

The proposals refer solely to employment within the federal jurisdiction, covering such areas as railways, airlines, banks, broadcasting, grainhandling, shipping and related services, inter-provincial highway transport and certain crown corporations.

PERSONNEL MANAGEMENT

Conference Board study

Personnel administration should be given higher priority by corporation managers, a report released by the Conference Board in Canada concludes. The 94-page study, *Corporate Manpower Planning in Canada: Trends and Prospects*, is based on papers and discussion at a two-day symposium held in Montreal by the independent, non-profit research organization.

It defines manpower planning as "the function within organizations which ensures that the proper number of qualified and motivated employees will be available in the future to carry on the required work." This function, the report concludes, "needs to be fully integrated" within total corporate planning. Otherwise it becomes "a

fruitless exercise generating activity and paperwork that has little impact on the organization."

The study also finds a "pressing need for dialogue between corporate manpower planners and government policy makers in manpower and labour." It concludes that if that dialogue were established and government programs could meet corporation needs more closely, manpower planning could be the key function in most organizations over the next few years.

EMPLOYEE COMPENSATION

Executive salary differentials

Historically, United States executives have received higher salaries than those in other countries, but a study by a firm of Toronto consultants suggests this is no longer the case.

The results of the study, by Towers, Perrin, Forster and Crosby, were reported in the Toronto daily newspaper *The Globe and Mail*. They showed chief executives and other senior managers in several countries with higher salaries than their U.S. counterparts.

In Belgium and The Netherlands, the average salary of a chief executive last year was 5 per cent above the U.S. level. In Brazil and Sweden it was 10 per cent above the U.S. average, and in West Germany 15 per cent higher. In Canada, however, the average reached only 90 per cent of the U.S. level. Canadian salaries were also lower, at 85 per cent, for three other categories reported — director of marketing, director of finance and director of personnel.

The study also placed Canadian hourly wages in manufacturing at an average \$5.03 for January, 1976, compared with a U.S. average of \$4.80. That made the Canadian average the "highest in the world," the report said.

WOMEN

Women keeping jobs

Women are joining the work force in record numbers in most countries of the industrialized West, according to a study released by the Organization for Economic Co-operation and Development. The study also found that women managed to keep their jobs better than men did during the 1973-75 recession. Women's share of total employment increased in 14 of the 16 countries surveyed. It declined in only two — France and Japan. [G]

Coping with the mid-career unemployment crisis

by Roy LaBerge

More and more Canadians may have to prepare themselves for several different careers in their lifetime as job stability becomes a thing of the past in our labour market. Technological and other changes in the workplace are bringing employees at all levels face to face with what some academics call a "career identity" crisis. Examples are to be found in every community:

- a skilled linotype operator is transferred to what he considers a "demeaning" job of pasting up layout pages, because his newspaper changes to computer typesetting;
- experienced, well-paid machinists are replaced by an automated machine and transferred to relatively unskilled jobs on the assembly line;

...more and more people — especially skilled workers and managers — are trapped in declining occupations

- a teletype operator with 40 years' service is demoted to telephone operator with a substantial decrease in pay, as a telecommunications firm reduces its telegraph services;
- a dairy farmer takes a job as a building cleaner — the only work

Roy LaBerge, a journalist and former editor of Canadian Labour, teaches social science at Algonquin College, Ottawa.

he can get — because he cannot raise the capital for the new equipment needed to keep his contract for selling milk to a dairy;

- an executive with 20 years' experience with the same firm is moved to a lower-status position in an organizational shuffle;
- another executive is thrown into the ranks of the unemployed for the first time in his life, because his company merges with a competitor.

Skill obsolescence has been a problem ever since the Industrial Revolution began. However, in interviews with Ted Weinstein, a former information officer with the Canada Department of Labour, three Canadian authorities insisted that its pace has accelerated in the 1970s as never before.

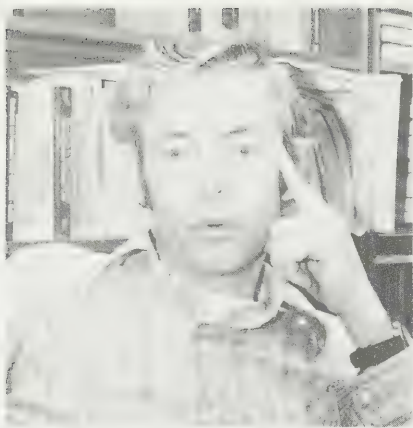
Change was more gradual in the past, according to James W. Westcott who heads a Toronto firm of industrial psychologists and management consultants. Now more and more people — especially skilled workers and managers — "are trapped in declining occupations," Westcott says.

R.F. Morrison of the University of Toronto's Faculty of Management Studies told Weinstein that today's constantly changing business climate makes mid-career business executives particularly vulnerable. At stake are not only "the lives and livelihoods of talented Canadians and their individual employers," but also, "the health of the total business community and, ultimately, the economic and social well being of the country."

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"You know we're an entirely apolitical corporation, Hasker, so while unemployment was a hot political issue we didn't want to fire you — but now..."



Robert Morrison: at stake are "the lives and livelihoods of talented Canadians"



Peter Moon: many companies are cutting back for the first time since the 1940s

Peter Moon, a Toronto management consultant, points out that many companies are cutting back for the first time since the 1940s. This means that thousands of executives and skilled workers in their forties and fifties who had worked for only one company are looking for a job for only the second time in their lives, without knowing how to go about finding one. They face stiff competition on the job market. Monthly federal labour force statistics frequently show 10 people unemployed for every available job, and a total of more than 100,000 people 45 and over unemployed.

In a society that tends to evaluate people in terms of the job they hold, these employees suddenly find themselves with no salary or fringe benefits but with monthly mortgage payments to meet, upset in their family, and loss of status among their friends and in the business community. For the first time since adolescence, many begin to question their worth as individuals. They also start to question some long-held values — such as loyalty to one employer.

It is not only employees who are

thrown out of work or into a different job who suffer a career identity crisis. Ben S. Graham, a Danish management authority, says this can also occur when a person has mastered all there is to know about a job "and can no longer grow. Then, if the job cannot be expanded or the person cannot move to another, the quality of his career identity begins to deteriorate," Graham argues. "Involvement is gradually replaced by boredom and indifference. Enthusiasm wanes and

...today's changing business climate makes mid-career business executives particularly vulnerable

the person ceases to keep up with the changing requirements of the work." In time, the person is no longer "alive on the job in the sense of having a wholesome, vital career identity, and to compensate, he may become active in other segments of life — hobbies, family, community affairs, religion or sports."

In an article first published in Danish and later reproduced in English in *Optimum*, the quarterly publication of the Bureau of Management Consulting of the Canada Department of Supply and Services, Graham contends that an employee may have such a "feeble" identity with his career that it has given him just enough personal meaning to sustain life: "Later, at 65, he has 30 years of practice of being dead on the job, and when enforced retirement makes it official, he obligingly dies."

Graham argues that society, to avert such "identity failure," should replace "the traditional notion of preparation for a job for life" with ideas that are "more appropriate" for today's complex and changing world. Many people who are alive today will master several careers — some because they choose to; others because they are forced to by layoff or transfer.

Thousands of young Canadians are reluctant to commit themselves to a lifetime career with one employer. The Economic Council of Canada, in *People and Jobs*, its 1976 survey of the labour market, suggests that the high unemployment rates for young Canadians reflects, at least in part, "a testing and learning process in a market environment in which links between the school system and employment are loose." Unlike young people in some European countries where "pervasive" apprenticeship programs provide young people with continuity between formal schooling and careers, many young Canadians "initially take full-time jobs and leave them, take part-time jobs for experience, or take labouring jobs just to earn money to return to school."

Graham contends that it would be



Colin Davis: employees over 40 are reassessing their relations with their employers

much easier for many young people to commit themselves to careers "if they don't have to make the commitment for life."

Colin P. Davis, a Toronto public relations consultant and advertising executive, notes a fundamental change in employer-employee relations in the last decade involving what he calls the "loyalty factor."

"No longer do we see the mutual expectation of the long-term mail-boy-to-president growth curve within a single company. Both employers and employees now consider this an outside possibility versus the norm." One result, says Davis, is that many employees over 40 are reassessing their relations with their employers, especially as they see increasing numbers of their peer group being let go after many years of "loyal" service.

This comes as a shock to middle-aged managers who had been educated to believe "that a company looks after its own, and that a pension at 65 is the eventual reward for years of loyal service." He finds this especially true of



Organizations like Forty-Plus of Canada can be of great help to the unemployed executive

many people born during the 1930s, who grew up in a world where security was sought after. "In many cases it was deliberately merchandised by companies in their recruiting and development of fringe benefits," he adds.

Even those who are not laid off but are transferred to lower-status jobs find a change in others' relationships to them. "Fewer and fewer telephone calls are returned,"

For the first time since adolescence, many begin to question their worth as individuals

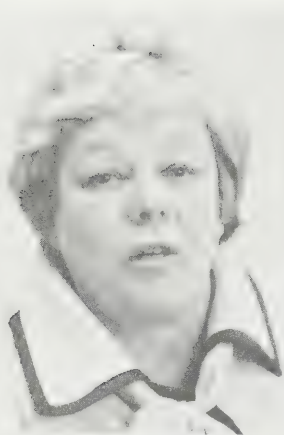
Davis notes. "More and more people are tied up in meetings or are about to go out of town and can't make it to lunch."

The emotional shock of unemployment is even greater — especially if it is the employee's first such experience. Hence he or she usually does a poor job of searching for new employment. "Suddenly the routine is broken,"

Davis says. "There is no office to go to, no meetings, just your own self-imposed activity to occupy your days. To many, it is like being a non-person away from the world you have known, and the shock of this can cause serious depression."

Organizations such as Forty-Plus of Canada, a Toronto-based job placement and counselling service, can be of great help to the unemployed executive — by providing him with mid-city phones, desks, secretarial help, and even more important, a meaningful activity during the job-search period — helping others with the same problem.

Davis says forced unemployment can provide a middle-aged person with an opportunity to review his personal objectives, and he offers this advice: "Ask yourself: What would you really like to do with your life? Consider a second career, a change in life style, earnings, or even a change in location. Many apparently happy and contented people who find themselves unemployed at 50 years of age, suddenly realize that



Jean Butler: unemployed because "they didn't see the handwriting on the wall"

they have wasted so many years of their lives doing a job they really never enjoyed."

Jean Butler, executive director of Forty-Plus, says a high proportion of unemployed managers actually welcome the chance to "evaluate their careers and work situations in line with their life styles and aspirations.

She speaks glowingly of one Forty-Plus client, an insurance executive, who, after going through the organization's goal-setting process recognized that his real interest was not insurance but boats. "He went to Bermuda, looked around, returned to Montreal, sold his house and got into the charter business," she said.

Davis points out that this kind of career review might have had even more positive results if it had been undertaken by men and women when they were only 35. To him, employees should not wait to be transferred or laid off, but should be preparing their next job while holding their present one: "People should look at alternatives, and

anticipate trends." One executive, who left banking to found his own promotional firm put it this way: "I have seen too many of my colleagues neatly rolled into a waste ball and tossed into the waste basket."

Many people over 40, even though they are not totally satisfied with their work, have become attached to their jobs. Their seniority gives them privileges such as lengthy vacations and pension benefits they might lose if they changed employers, so they prefer a "dull but comfortable" existence and well-established routines to the risk of taking on a new career.

Jean Butler of Forty-Plus says these are often the managers who become unemployed because "they didn't see the handwriting on the wall...or they had a disagreement with a superior, or they got bored and didn't perform."

Davis also believes some companies keep employees in a job long after they should have been transferred or let go: "Once a manager has been identified as the source of a problem, he should be told or fired then, not allowed to hang on for several more years."

Many people who are alive today will master several careers...because they are forced to by layoff or transfer

As long ago as 1961, Arthur V. Piggott, director of the Canadian Association for Adult Education, warned that the technological revolution was making education a lifelong process: "Technology and automation, science and invention, and the pace of change, will increasingly demand continuous training and retraining."

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"My client was forced back into a life of crime, Your Honor, in order to maintain the standard of living to which he had become accustomed in prison."



...an opportunity to review his personal objectives

The consensus of academics who study learning abilities is that people can learn after age 40, but many employers and educators have yet to be convinced of this. [See LG, Jan. '77] For example, a 16-year study of 350,000 United States workers by a marketing survey and research firm based in Princeton, N.J., concluded that in-house training could make many employees just as effective as those with more education from outside the firm.

Many companies, however, still prefer to hire outside "experts" rather than retrain the people they already have on staff. One study by the International Labour Organization found that employers in the major industrialized countries are often particularly reluctant to spend money training or retraining their older employees because of the relatively short working time left to them.

During the 1962 Canadian Conference on Education, in Montreal, 2,000 people concerned with


education discussed the need for making more training available to adults. Since then, there has been a great surge in adult education programs — full-time and part-time, academic and vocational.

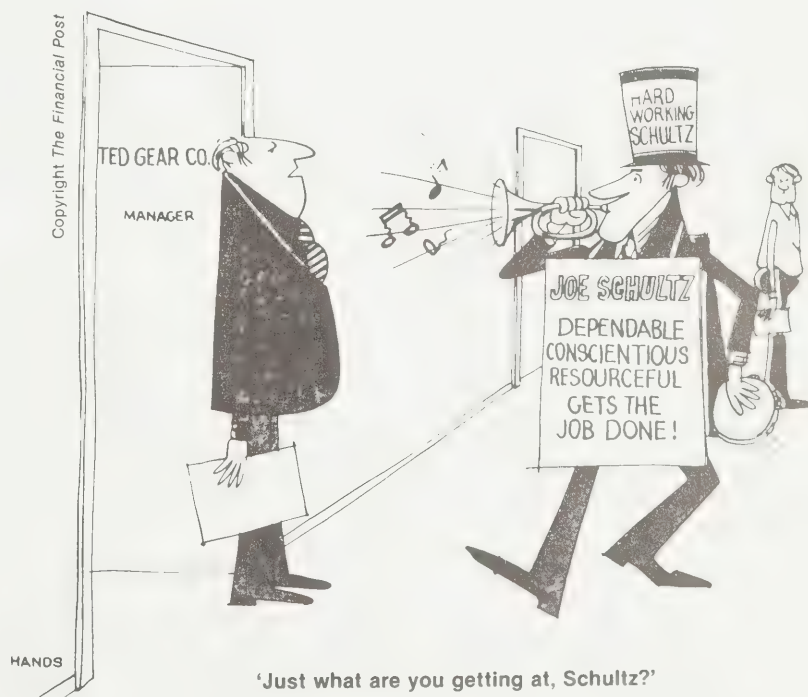
More opportunities for learning new career skills are available than ever before and they are undoubtedly a help in coping with mid-career identity crisis, but are they enough in a society in which a person's worth is measured in large part by the status and income of the job he holds — and so measured not only by others but also by himself?

How much can retraining do when the labour force statistics regularly show the numbers of unemployed people vastly outnumber the job vacancies? Obviously a total solution would require a change in attitudes and values — a recognition that people have dignity and are worth associating

...employees should not wait to be transferred or laid off, but should be preparing their next job while holding their present one

with whether they are prime ministers, company presidents, machine operators, sales persons, housewives who have never held a paid job, or unemployed people looking for one without success. Such a transformation would be far more revolutionary than the changes in the labour market, and in education, that have come about since the Second World War.

The individual who suspects he may one day suffer a career identity crisis would do well not to wait for that utopian societal change, but to start immediately to prepare himself for his next career. 



'Just what are you getting at, Schultz?'

The minimum-wage debate — some new developments

by E.G. West

The central focus of the traditional debate on minimum wages has been on whether or not they cause unemployment. Major attention has now switched to how the poor are affected financially. This is now felt to be the more important question because every member of the poor could eventually be better off with a minimum wage if it were adjusted to compensate for some necessary periods of induced unemployment.

Few economists now concern themselves very much with new empirical tests that might challenge the numerous recent studies that have typically shown a positive connection between minimum wage increases and upsurges in unemployment. Fewer still engage in the once common argument about whether the relevant labour markets are non-competitive (monopsonistic) and therefore not subject to the 'laws' of demand that predict fewer workers will be demanded when the price is increased.

Most now agree that the typical labour markets affected by minimum wage laws are highly competitive. The most casual glance at the trades and occupations covered by Canadian legislation suggests this, because retail store workers, laundry workers, beauty parlour employees, waitresses, barbers, truck drivers and students, are all included.

Assuming that the demand for their services is inversely related to their wage levels, workers can still benefit from legalized minimum wages above market

E.G. West is a professor of economics at Carleton University, Ottawa. This year he is a visiting professor at the Centre for Study of Public Choice, Virginia Polytechnic Institute and State University.

levels if the wage increase is high, if elasticity of demand for workers is low, and if they share the unemployment almost equally. They can do this by taking their turn for vacancies as they occur. There will always be a number of vacancies, if only to replace people who are retiring or moving on to other jobs. The higher the turnover of jobs, the larger the number of vacancies, and the greater the probability of securing a job at the new higher wage. For the outcome of this process to be favourable to the poor, demand elasticities for their labour must be below a certain level and the rates of job turnover must be above a certain level. Whether these levels are attained is an empirical matter, and new studies are under way in the U.S. to elicit the relevant magnitudes.

The most striking new analysis so far has been by Jacob Mincer published in the August 1976 *Journal of Political Economy*. Mincer points out that theoretical analysis indicates minimum wages cause workers to move between the "covered" and "not covered"

Why should minimum wages be popular even among the groups that stand to lose?

sectors and between the labour market and the non-employed. Suppose for example that minimum wages in Canada covered all occupations except those in the "service" industries, such as restaurants. It was once thought that the *inevitable* result of the introduction or increase of a minimum wage in the covered occupations would result in a migration of unemployed workers to the non-covered sector — like the restaurant trade. The resultant increase in supply of restaurant workers would *lower* their wages to an extent that some workers would choose to become unemployed by choosing earlier retirement or going on welfare.

The total result of minimum wage legislation would be a smaller working force and an increased inequality of earnings between the covered and the non-covered workers, the covered being better off and the non-covered being worse off than before.

Mincer points out, however, that such a sequence of events is *not* inevitable. The outcome depends on the size of the wage differential and the labour demand elasticities in the two sectors. It depends also on the total labour supply elasticity, the minimum wage coverage, and the vacancy (turnover) rate in the covered sector. If demand for labour in the covered industry is very inelastic, and if the vacancy (turnover) rate is high, labour may be attracted to the covered sector and away from the uncovered sector in the service industries and the non-employed groups.

The new entrants to the covered sector would be prepared to undergo a substantial period of unemployment — a kind of “voluntary” unemployment — in the hope of securing a substantially higher paid job. Because some of them will come from the non-covered trades such as the service industries, these trades will now offer an *increase* in wages. With these factors in effect, the total outcome will consist of an increase in the labour force, greater unemployment, and a rise in the income of the poor as a whole, while the numbers retired and on welfare will fall. Mincer’s analysis, however, produced opposing evidence. Using data from the U.S. Bureau of Labor Statistics for 1954 to 1969, he found that the negative effects of minimum wages were more marked on the total labour force than on the unemployment rate. The literature demonstrating unemployment effects of minimum wages has, in other words, understated the disemployment in total. The disemployment effects have included the re-employment at wages lower than before in the uncovered sector and withdrawal of individuals from the labour force.

Some writers are currently making the claim that minimum-wage laws may benefit the poor even though they mean some unemployment. Mincer’s evidence clearly refutes it. Because of minimum wages, the ‘surviving’ restaurant-type workers are unambiguously worse off in income. Another group that might also be worse off — depending on the size of welfare and other insurance payments — are people who leave the labour force. It is this group that is affected most by minimum-wage laws. Mincer contends that, “no more than a third of the employment loss in the covered sector appears as unemployment, while the bulk withdraws from the labour force.”

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“What’s all the fuss over the lowering purchasing power of the dollar? Why doesn’t everyone use credit cards like we do?”

If Mincer’s evidence is eventually matched in Canada — and there is much need for some similar research here — the interesting question emerges: why should minimum wages be popular even among the groups that stand to lose? One answer may be that such popularity is expressed not by all low income workers but by their spokesmen. Sometimes these are self-appointed persons in trade unions, who have their own special reasons for supporting minimum wages.

...withdrawal from the labour force is an attractive proposition to many marginal workers

In U.S. Gallup polls on minimum wages, the ratios of support to opposition declined from 71 to 24 in 1947 to 55 to 39 in 1965. This degree of opposition is quite substantial and is likely to be higher today when unemployment

among teenagers is so much larger. Such simple opinion polls, however, are inadequate. What is needed is information on people’s attitudes to a whole table or schedule of minimum wages ranging from market wages to wages that are double or triple that level. Of course the framing of the questions themselves will encourage more than average reflection. If people were asked their opinion for instance as to whether the minimum wage should be raised to say \$5 or \$10 an hour, it is then that they would more speedily recognize the limits of the policy and its dangers of serious disemployment.

Another answer to the question of why minimum wages receive such popular support in Canada might be that the evidence is opposite to that revealed in Mincer’s study. The only appropriate response to this claim is to ask for, and await, the real evidence. It is helpful to remember, meanwhile, that even if it turns out to be different, the empirical measures involved are

The non-poverty groups who pay for the redistribution are of course the majority of society

usually in terms of averages and aggregates. There may well be certain sub-groups within the low income class as a whole that will still stand to suffer even though the "average poor" are better off. In his study, published in the October 1974 *Southern Economic Journal*, Alan G. King estimated that an elasticity of demand for teenagers of 0.71 was a sufficient condition for the improvement of the welfare of teenagers as a whole, despite some unemployment. Yet he admitted that the demand elasticities for non-white teenagers of both sexes were very much greater, "failing to satisfy even the necessary condition of inelasticity and indicating that these groups will be harmed by any increase in the minimum wage."

We come next to perhaps the most sophisticated of all arguments that explain the popularity of minimum-wage laws. As suggested earlier, the individuals who respond to increased minimum wages by leaving the labour force may or may not be better off depending on the size of the welfare payments they receive. It may be, in view of the relatively higher rates of welfare payments in the 1970s compared with previous decades, that the withdrawal from the labour force is an attractive proposition to many marginal workers. To test this empirically we need to look at the earnings of an individual at the minimum-wage level minus the costs of earning this income. These costs include transport to and from the job, insurance, and foregone leisure.

Bearing in mind that welfare payments may only be received on the

production of evidence of need, minimum-wage-induced unemployment would be proof that the claimant cannot obtain access to alternative income. This being the case, it could explain why so many spokesmen and agencies for the poor support minimum wages. If for example they regard a \$2 an hour market wage as a poverty income it is arguable that they would consistently support a minimum wage of \$3 an hour if those unemployed as a consequence can claim welfare payments that would be equivalent to a wage of, say, \$2.75.

Nevertheless, this argument has to face the fact that the minimum-wage method of helping the poor results in social waste because it reduces national income. As we have seen, excessive mobility is encouraged between the covered, the non-covered, and the non-labour force groups. Moreover, the cost of job search is increased. More important, because additional unemployment is caused, national output falls. Even though the benefits to the poor from minimum wages do arise through the tortuous route of increased unemployment lines and increased candidacy for welfare payments, these benefits amount to a redistribution of income from non-poverty groups in society that could be accomplished more efficiently by other schemes.

The non-poverty groups who pay for the redistribution are of course the majority of society. They would prefer the more efficient transfer mechanisms of the negative income tax which is likely to reduce work and output to a much smaller extent. Paradoxically, the strongest political opposition to negative income taxes so far has stemmed from the average voter's fear of reduced incentives to work because in most negative income tax schemes, families may qualify

for income payments even though their members make little effort to obtain employment. Attitudes may change if it is fully realized that the adopted alternative to the negative income tax — minimum wages plus the present welfare structure — is an even better incentive to work, as suggested in Mincer's analysis.

Finally, it is arguable that the complex effects of minimum wages outlined in this article occur only temporarily and immediately after the minimum wage has been introduced or increased.

...the new move in the U.S. to index minimum wages is likely to spread to Canada

The real value of the higher rates is quickly eroded by inflation as are their effects on the covered sector, the non-covered sector, and the size of the labour force. Because of lags in adjustments to the minimum-wage rates, their effects are discontinuous. Recent Canadian experience, however, shows such an increase in the frequency of revision of the rates that the 'battle' with inflation may nearly be won. In the longer run, moreover, the new move in the U.S. to index minimum wages is likely to spread to Canada. When such indexation is finally implemented, and if Mincer's kind of evidence is matched in Canada, the final result will be a *permanent* reduction in the labour force and a *permanent* increase in unemployment, both of which will set equally long-lasting limitations on Canada's growth potential.

Clearly, the debate on minimum wages remains sensitive. In Canada, much new and objective evidence is required to make the discussion an adequately informed one. [g]

What is an ideal preparation for industrial relations practitioners?

by Keith E. Thurley

Industrial relations has developed as a body of rules, procedures and institutions in all industrialized societies. In accord with this there has been a steady growth in the importance attached to the handling of industrial relations issues by governments, political parties and business concerns.

The labour movements of course, have been founded on the urgent need for improved wage levels and working conditions, and the recognition of trade unions for bargaining purposes. The demand for formal training and for educational courses concerned with industrial relations, however, has developed most rapidly in the 1960s. This demand, naturally, has tended to follow the recognition of the area as an important one for government policy and business practice.

Universities in the United Kingdom, for example, started to develop specialist MSc. courses in industrial relations 10 years ago, partly at least in response to the idea that there would be a rapidly rising demand for 'professional' type training in the field. These courses were seen as relevant for future recruits to the ranks of full-time trade union officials, the secretariat of employers associations, those concerned with personnel management in companies, and government agencies concerned with dispute settlement, wage determination, the recognition of unions, and the procedures of collective bargaining.

At the same time, business

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training at the under-graduate, post-graduate and on-the-job experience levels has increasingly been concerned with industrial relations as a preparation for managers or would-be managers. In the trade unions, the last decade in the U.K. has seen the extension of shop-steward training as a desirable experience for all union officials. On all sides, therefore, it is increasingly recognized that formal education and training *is* necessary for I.R. practitioners. The problems that require discussion, however, appear only when one starts to consider the validity and relevance of such courses.

To ask 'what is an ideal preparation for an I.R. practitioner?' is to ask a number of specific questions, in the areas of needs, objectives and the design of learning strategies. These can be put as follows:

Needs.

1. First, clarification of definitions and concepts of industrial relations.

- What is the scope of industrial relations and with what issues should it be broadly concerned?

- Who is an I.R. practitioner? Is there an agreed classification of practitioner roles, so that each type can be dealt with separately?

2. With what *theory* of industrial relations are we concerned and what central activities appear to be predominant? (job regulation, collective bargaining, reward/work determination, participation in decision-making, etc.).

3. What theories of social behaviour should we assume in analysing the workshop, organizational and political behaviour of I.R. practitioners?

4. What evidence exists that 'problems' in industrial relations are caused by lack of an adequate conceptual framework, lack of knowledge of the law or of institutional practice, lack of negotiation skills that could be developed by training?

Objectives.

5. If industrial relations involves conflict between parties, whose interests are we concerned with in developing training/educational courses? What criteria are we using to judge a relevant and useful program?

6. Should we be concerned with providing a framework, imparting knowledge, stimulating analysis or innovatory thinking, the provision of skills or the changing of attitudes?

Design of learning strategies.

7. Is preparation best undertaken in long academic courses for students at the graduate level, or is it best designed as a set of short learning situations to complement actual job experience?

8. Should preparation for all practitioner roles be by means of a single course, different courses within the same institution or separate courses in separate institutions?

To pose such questions shows the difficulties of coming up with a precise set of prescriptions in answer to our main question. There is, however, a basic issue at the root of such questions and it is necessary to state the main argument here before discussing it in detail. If it is agreed that although the roads to industrialization are diverse, the phenomena of industrial society are increasingly similar, it is relatively easy to argue with Clark Kerr et al. that:

*"One of the universals of the industrialization process is that management of enterprises becomes professionalized rather quickly..." The argument is that "management moves from a paternal or political orientation to a professional one. As we emphasized, professionals are fast becoming more highly trained technically; and the 'techno-structure', as Galbraith has termed it, takes over more of the managerial function..." It follows "that systems of industrial relations, almost universally tripartite, develop with a substantial degree of compatibility among the component parts. These systems originate and administer the 'web or rules' that comes to govern daily operations within the system. The organizations of the workers become more a part of the system than are apparent against it. The system is subject more to evolutionary change than to revolutionary revision..." (Clark Kerr, John T. Dunlop, Frederick Harbison, C.A. Myers, *Industrialism and Industrial Man*, Penguin Books, Harmondsworth, England, 2nd. ed., 1973)*

From this perspective, even granted basic cultural differences and differences in historical development, the growth of industrial relations systems means the development of 'professionals' acting for all parties in the system in a detached non-political manner. Such a professional role needs a formal preparation at an institution of higher education as well as a qualification system based on academic study. The 'professionalization' of industrial relations then proceeds side by side with the growth of the body of knowledge called industrial relations, an

The fundamental problem is to design a special education strategy that responds to the particular needs of a given society at a certain stage of development in its industrial relations

understanding of which entitles one to participate in the I.R. system. The study of 'industrial relations' as an academic body of knowledge is increasingly international, and students from one system can 'qualify' by acquiring knowledge in universities in countries that may be more advanced in such studies.

It can be argued therefore that from the perspective of the authors of *Industrialism and Industrial Man*, there is a clear answer to the basic question posed by the title of this article: *the answer lies in post-graduate study at university level*. To test the validity of this answer as a universal prescription, a look at industrial relations training needs in the United Kingdom and comparing it with the situation in Japan, Sweden, and Hong Kong is appropriate.

Industrial relations training has been much discussed in Britain. The Commission on Industrial Relations (C.I.R.) produced a report (no. 33) *Industrial Relations Training* in 1972. A year earlier, the British Institute of Management (B.I.M.) had produced a report, *Industrial Relations Training for Managers*. There is also the *Training for the management of human resources* produced in 1972 by the Personnel Management/Training Subcommittee of the Joint Industrial Training Boards Committee for Commercial and Administrative Training, and the latest report *Management training in industrial relations* produced in 1975 for the Management Education, Training and Development Committee of the National Economic Development Office (N.E.D.O.)

It is impossible here to summarize all the reports adequately but some of the major points are:

- Employers are the largest providers of industrial relations training for managers, but in 1970 only 20 per cent of managers and supervisors attended courses that included industrial relations. Only 15 per cent of shop stewards attended such courses. More than 50 per cent of the managers and 33 per cent of the stewards received only one day of training. (C.I.R. Report).
- The C.I.R. was highly critical of the content of many of these courses. They saw them as too general and biased towards 'human relations' rather than concerned with matters of joint regulation.
- More than 270 technical colleges and polytechnics provided industrial training, but the C.I.R. was again critical of the content of such courses which were said to be often inappropriate to needs, and without a clear purpose.

- The *Training for the management of human resources* report argued that a formal course of considerable length was an essential part of the education and training of all specialists in industrial relations. It recommended post-graduate or on-the-job experience together with a set of specialist modules (learning packages) related to job needs.

- The B.I.M. report highlighted the need for line managers to have a working knowledge of company personnel policy, trade union organization and agreements, and the scope for productivity bargaining. It argued that the Industrial Training Boards should become more active in industrial relations training.

- The more recent N.E.D.O. report went over a lot of the points summarized above and focused on the "apparent gap in terms of the needs of companies and the industrial relations training courses of many of the 'providers'". While there are several examples of close collaboration between academic institutions and particular companies in running satisfactory courses in industrial relations related to specific conditions of companies, no adequate system exists for bringing the academic institutions and industry together". This problem led the Working Group behind the N.E.D.O. report to recommend that an Industrial Relations Training Resource Centre be established to assist companies and other institutions who wished to provide better I.R. training for managers. The centre has now been established at Ashridge Management College.

In spite of so much official comment and advice and the C.I.R. research, it would be foolish to conclude that the question of industrial relations training in Britain has been largely settled or even clarified in terms of the

The study of industrial relations as an academic body of knowledge is increasingly international

definition of the basic arguments. Critics of the C.I.R. report, such as Geoffrey Stuttard, could fairly easily establish that many of the sentences of this report were knowingly question-begging. He says: "Training is one of the measures necessary to ensure the maintenance of effective industrial relations." Stuttard — in *Industrial Training International*, May 1973 — raises the obvious necessity of defining 'effective', from different viewpoints. He argues that "no simple package, or module, or clearly defined skill can make up an industrial relations course or series of courses. Industrial relations is in fact an explosive mixture in which politics, economics, sociology, law, social and personnel psychology, tradition, custom and practice, communication theory, organization theory, language and clear thinking are some of the ingredients." Stuttard argues an understanding of the nature and purpose of industrial relations is not just a neutral technical piece of 'professional' knowledge, it can lead to thinking which upsets managers, trade union officials or even politicians.

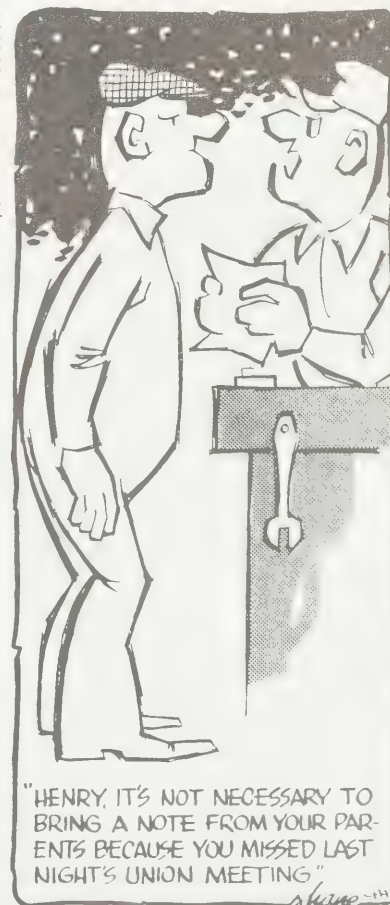
Susanne Lawrence, writing in *Personnel Management*, July 1973, quoted Stuart Dalziel's comment that the C.I.R. report was 'nothing if not depressing.' She argued that industrial relations training was still, as confirmed by the C.I.R., 'a sadly neglected area,' in spite of the stimulus of the Industrial Relations Act (1972) and the Industrial Training Act.

Only in exceptional circumstances such as at Wilton in an I.C.I. Ltd. exercise involving the introduction

of their weekly staff agreement, or in the printing and publishing industry, where a research project of the Department of External Studies, Oxford University has produced a manual of I.R. courses, did Lawrence find 'oases' in the desert. It is fairly clear that the desert would not exist if training were so clearly in the interests of all parties as blandly stated by these official reports. Two C.I.R. cases can be quoted to show why I.R. training has *not* been developed in so many cases.

In the first, a C.I.R. team studied the industrial relations in a Lincolnshire engineering factory, Clayton Dewandre Company Ltd. (C.I.R. Report No. 15, 1971). This was a classic case of wage drift associated with a payment-by-results piece-work system. The

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major union was seen as supporting the 'free for all' or the system of shop floor bargaining in which piece-workers pushed up their hourly earnings. The C.I.R. recommended a new payment system, new procedures and a clearer definition of responsibilities for supervision and middle management. Assuming that the C.I.R. were supporting a 'reasonable' solution to the problem of industrial relations at this factory, in what way would industrial relations training have helped? Clearly training is only useful here if it would help to persuade unions, stewards, workers and supervisors that change was desirable and that a new payment structure would be in their interests. Short-term training would be quite ineffective in this situation. Long term professional-type education for managers and union officials *might* persuade them that the C.I.R. policy was reasonable. It might also easily persuade them that other policies were more appropriate.

In the second case, the C.I.R. sent a team to investigate the industrial relations problems on a large engineering construction site — Alcan Smelter Site — where continuous disputes had become endemic during the years 1968-72 (C.I.R. Report No. 29, 1972). Seventeen companies were involved, all on the steel erection mechanical, electrical and finishing sides of the project. By August 1971, 133 strikes had taken place, 123 in seven companies. Half of these were over wages and bonuses and one third were sympathy strikes. The strikes were part of a continuous pressure on the steel work erection companies to raise level of earnings and then on other contractors to grant parity. There were also some short strikes over working conditions, health hazards, discipline and dismissals. The C.I.R. underlined the impor-

tance of the policy followed by the client who refused to become involved in the industrial relations problems of contractors.

One result was the development of large on-site wage differentials as co-ordination of wage and industrial relations policies between companies or between unions proved impossible. Only one company provided training for shop stewards. Five companies had given some training in industrial relations to their site management. This is an extremely

***Reactions against
'professional' I.R. specialists
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complex case. What is important is that it again raises the question of objectives of training/education in industrial relations. If foremen or site managers were trained, what would be the main purpose? Should one aim at training managers (or stewards) to cope with such situations or should one emphasize the importance of restructuring the situation fundamentally so that on new sites, the problems would not arise?

Industrial relations training in both these cases clearly provides little short-term relief to industrial relations problems. If it is argued that I.R. training will reduce conflict in the long run, then the answer is that this depends on *what* is taught and, of course, how well it is taught. There is, therefore, in Britain a considerable gulf between those arguing the need for 'fundamental' I.R. education and training and a large body of I.R. practitioners who can only see the most pressing problems and their own need for 'political' skills to achieve survival.

The reports on I.R. training have not really achieved much and indeed may only have given people the impression that something was being done, so that they need not worry. The case for professionalization of industrial relations, actively supported by academics in the industrial relations field, is important mainly in that it has encouraged a growing proportion of full-time union officials, personnel managers and shop stewards to take a course of study in industrial relations. This does not mean that academic qualifications are much respected in this field. On the contrary, practitioners are still judged by their actual performance in handling crisis situations, where there is open or latent conflict. In this respect, industrial relations is no different from many other aspects of management.

The belief in professionalization as demonstrated by such bodies as the Institute of Personnel Management, goes side by side with a strong scepticism about the value of such qualifications. This paradox is partly explained by the importance attached to individual judgment and decision for all parties, so that managers, for example, see their role in terms of selecting and acting on certain issues and resisting any overall programming of work. It is not easy to define and believe in the 'techno-structure' in such a climate.

Japan is a useful example as a contrast in industrial relations to the U.K. Practitioner roles are very different, and at the same time, the scale of higher education and its significance also show marked differences. Broadly speaking, in Japan, the crucial industrial relations practitioner roles are:

- staff of national unions and union centres and federations,

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- full-time company union officials,
- staff of government bodies such as the Central Labour Relations Commission,
- company personnel staff.

There are three main types of I.R. problems in Japan: determination of annual wage settlements (Shunro); the struggle over the political position of the labour movement (as seen, for example, in the struggle for the right to strike in the public sector); and settlement of individual company disputes, for example, over redundancy or two-union problems.

In none of these situations are experts trained as 'professionals' and then qualified to take an I.R. practitioner role. In very few instances, has I.R. expertise been learned on the job. All government and company I.R. practitioners and some union officials are university graduates. Social science training is by no means as typical as law studies. It would be difficult to argue that university education is giving such staff a foundation in understanding industrial relations.

There are, therefore, two types of specific I.R. education/training activities that are important in Japan. 1. There is much training at the enterprise level for managers, supervisors and operatives. Often this includes personnel issues although usually not industrial relations in the sense of procedures, conflict resolution and wage determination. 2. Staff from unions, managers and the staff of public agencies attend lectures and seminars on industrial relations often at the policy level. Such lectures are usually arranged by agencies such as the Japan Institute of Labour or the Japan Productivity Centre. The first set of activities are mainly concerned with the understanding and dis-

...industrial relations is no different from many other aspects of management

semination of company personnel policies. Training is part of a program aimed at standardizing management responses in different factories so that a comprehensive personnel policy can be carried out throughout the organization. This is clearly comparatively rare in the United Kingdom, hence the need for the approach advocated in the B.I.M. report mentioned above. The second type of activity has been crucial in bridging the ideological gap which emerged in the late 1940s between managers and the left wing staff of unions and union federations. It is difficult to see how the Japanese I.R. system could have worked so smoothly in the last 10 years if the contacts and understanding engendered by these meetings had not taken place. In neither of these situations, however, is training or education a *preparation* for a practitioner in I.R.

The Swedish case is of interest because it represents a highly centralized I.R. system with a dominant role played by the staff of the central labour federations, employers associations and certain government officials, politicians and academics. Training and education have a very high priority among both companies and unions, largely because it was realized that both were a necessary condition for making centralized agreements work. The Swedish system now, however, is undergoing considerable, even radical, change towards more participation.

Since 1969, there have been literally hundreds of experiments in Swedish companies, attempting

to increase the involvement of employees at lower levels in the organization, to change such things as wage systems and to re-design the workplace. It is clear from the program adopted by the 1971 Congress of the Swedish Trade Union Confederation that the driving forces behind these changes are political and social arguments about the reconstruction of society. Such arguments have arisen from a debate, possible only due to highly educated and informed participants from all sectors of the industrial relations community and the widespread industrial education programs available for workers, supervisors and managers.

The Swedish case shows clearly the 'explosive mixture' of ideas in industrial relations to which Geoffrey Studdard refers. Education in I.R. need *not* act as preparation for a role within a system; it can also stimulate, radicalize and suggest that the system needs basic restructuring and reform. Of course it would be an exaggeration to argue that the industrial democracy debate was created by the provision of comprehensive and advanced forms of industrial relations training and education in Sweden. What is certain is that the debate would not have progressed so far without that provision.

Hong Kong provides an interesting case of a society rapidly industrializing but only slowly creating industrial relations institutions and procedures. One of the basic reasons for this is the political sensitivity of industrial relations in Hong Kong. Another is the multi-cultural basis of employment relations following the establishment of Australian, U.S. and Japanese firms, together with British and Chinese-run companies. The government labour department, however, has pushed ahead with

various reforms and is trying to build up labour legislation with minimum standards governing such things as conditions of employment, and disputes procedures. What is significant in this situation is the type of industrial relations training and educational programs. A report by K.N. Vaid of the University of Hong Kong on the current state of such activities in 1972, showed that at that time there were very few educational courses for unionists or managers in Hong Kong — apart from management courses, master's degree courses at the universities, and a few courses for workers by voluntary bodies. There is a move to set up a Hong Kong Institute of Personnel Management but it is very difficult to see this being very widely accepted outside British firms and some multinational commercial concerns. What then could be done to help develop improved industrial relations practices throughout the manufacturing and commercial sectors? There is a choice here whether to try educating specialists by university master-level courses, trying to develop company based training, using the unions and federations to develop their own courses, and developing a government sponsored tripartite mass educational program dealing with every aspect of employee relations. All these approaches have major limitations, but the greatest potential and pay-off would surely come from developing a government-sponsored tripartite system although this conflicts with the laissez-faire ideology so important in Hong Kong.

A number of conclusions from these cases regarding the argument that labour studies courses need to be organized at a post-graduate level to qualify specialists for I.R. positions in the various parties in each I.R. system, can be drawn. As a general prescription:

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- The argument assumes that industrial relations will become a technical affair negotiated by employers, unions and government, all of whom will have been educated through specialized study of industrial relations at universities. This assumption neglects the fact that industrial relations issues are usually rooted in political and social conflict and will always, therefore, tend to have an element of grass roots protest against the existing I.R. status quo.

- The argument ignores the real differences between I.R. systems in different advanced and developing countries. In some such as Japan, the system does not depend on specialized training, but on mass education. In others such

as Sweden, originally based on just such an educated elite, the logic of democracy will lead to more and more emphasis on mass education. In Britain, specialized university training does have an important function in providing a basic education for I.R. specialists, but it cannot meet the urgent need for changes in the behaviour and performance of line managers or of the great bulk of lay-officials in the trade unions.

- The argument, therefore, overstates the importance of basic analytical training for young graduates carried out in an academic environment and underestimates the urgent need for discussion of the improvement of industrial relations on a mass scale, by workers, stewards, personnel specialists and managers.

- The argument is dangerous in that it offers a qualification in a specialist area which may be extremely attractive for ambitious members of modernizing elites, but one that is basically unreal in that the knowledge gained and tested may be highly inappropriate in the society in question.

The argument is also unfortunate in that, if accepted, there is little incentive to grasp the fundamental problem of designing a special educational strategy that responds to the particular needs of a given society at a particular stage of development in its industrial relations. In all the cases cited, there was no easy and obvious educational program that would clearly meet the problems of that situation. Usually a number of educational and training initiatives will have to be launched, tested and modified through experience. None of this will happen if industrial relations becomes yet another academic specialization with competition between universities to offer the highest standard MBA or MSc. courses.

The last problem of this argument is that it cannot really succeed. Reactions against 'professional' I.R. specialists already exist and are likely to increase rather than decrease. This fact puts the extremely important research work of the universities in jeopardy. In many countries, only universities can carry out studies of the labour relations situation and it would be extremely unfortunate if criticism of the universities for the unrealistic attitudes of their students were allowed to curtail much important research work.

If we reject the idea that all I.R. systems will become professionalized, where does this leave us? Is it possible to answer the request for guidelines in training I.R. practitioners? As with most social policy questions, the most practical help the social scientist can offer is to set out a series of alternatives. What is necessary is for trade unionists, managers and officials to be able to diagnose their own situation and design their own educational programs. This diagnosis depends fundamentally on the type of labour administration that is being developed in the society in question. Rather than a single type of labour administration, it can be suggested that at least four types of approaches can be distinguished (Figure 1).

The two critical dimensions of labour administration are the extent to which intervention from the ruling class and control from above is a strong element in labour policies, and the extent to which employees identify with their enterprise, either state or private. Japan is an example of welfare corporatism where paternalism is still assumed. India exemplifies societies where I.R. depends on government regulation and control. The third type is based on the enterprise but shows a strong development of unions and occupational job control such

Figure 1 Types of Labour Administration

Systems where <i>intervention</i> is justified (by government/ employers)	A Welfare corporatism (e.g. Japan)	B Government labour administration (e.g. India)
Societies where <i>individual autonomy</i> is respected	C Industrial relations corporatism (e.g. U.S.A.)	D Professional personnel management (e.g. U.K.)
	Systems where the <i>enterprise</i> is the key social unit in industrialization	Systems where employees identify with general societal groupings, e.g. occupation/class/ family/ race

Figure 2 Types of I.R. Educational Strategy (based on Figure 1)

A Employers/unions joint seminars and enterprise and union continuous training	B Government-sponsored part-time continuous I.R. education (at all levels)
C Comprehensive university-based professional courses for all major I.R. practitioners	D Selective professional training plus continuous part-time adult education

as in the U.S. The fourth is the type of labour administration developed in a society with weak enterprise loyalty and strong occupational and class identities.

If one accepts that such distinctions are meaningful, it is then possible to distinguish four educational strategies related to these situations (Figure 2).

In all cases there is the problem that responsibilities for I.R. will vary considerably at the place of work among different practitioners. This means that *education* — broad general discussions of issues — as well as *training*, such as specific methods, types of problem solving, knowledge of legislation, has to be emphasized. In these terms, there are four answers to the question posed by this article:

- Under *welfare corporatism*, joint management/union seminars are necessary, as well as continuous

training given by both sets of institutions.

- Under *government labour administration*, the state has the major task of arranging continuous courses at all levels for I.R. practitioners.

- Under an *industrial relations corporatist* system, the professional approach rejected as a universal answer, becomes the most appropriate strategy.

- Under a *professional personnel management* system, a double strategy of selective professional training and adult education becomes relevant.

Such distinctions are, of course, only the beginning of trying to find answers to the questions asked at the beginning of this article. It is important that such an analysis be pursued, country by country. Otherwise simplistic universal prescriptions will no doubt dominate thinking, with many negative consequences. [9]

Industrial relations teaching in Canada

by Shirley B. Goldenberg, Jean Sexton and H.D. Woods

Industrial relations teaching in Canadian universities, has been marked, among other things, by some major differences between the French and English systems. I.R. teaching in English Canadian universities has traditionally formed part of some other program, such as economics, management or business administration. The curriculum in such cases has been confined to a few aspects of industrial relations, such as labour economics and collective bargaining.

Fully integrated industrial relations programs, with specialized I.R. degrees, have been offered since 1944 in two major French-language universities in Quebec — le département des relations industrielles de l'Université Laval and l'École des relations industrielles de l'Université de Montréal. With the exception of the programs at Laval and l'Université de Montréal, I.R. teaching has traditionally been confined to undergraduates.

Some new trends in I.R. teaching may be noted. For one thing, there is a rather significant trend toward a broader definition of I.R., which now goes beyond the conventional concept of labour-management relations to include concerns about personnel, organizational behaviour, labour market functioning and manpower policy and programs. Although this change has not been accepted in equal measure in all universities, some — such as the University of Toronto and McGill University — have taken significant steps in that direction while others — such as Laval and Université de Montréal — have completely implemented the concept in their curricula.

Although Laval and l'Université de

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Montréal are still the only universities offering fully-integrated industrial relations programs at both the undergraduate and graduate level, there has been a significant increase in I.R. teaching in other universities in recent years. A growing number of English-language universities — such as McMaster University in Hamilton — are including industrial relations teaching in other programs, mainly economics or commerce, management or business administration. This is also the case in some of the French-language universities where fully-integrated programs do not exist — École des Hautes Études Commerciales at Université de Montréal, and Université du Québec.

Although graduate programs in industrial relations have existed since the Second World War, they were limited until recently to Laval and l'Université de Montréal, where both MAs and PhDs have been offered. New programs have now been introduced in other universities, some of them offering graduate degrees in industrial relations as a separate field of study — the MA in Industrial Relations at the University of Toronto being a case in point — others offering a concentration in industrial relations within another graduate program, such as the MBA at McMaster University.

Several Canadian universities have extended access to I.R. programs

beyond the regular student population. While adults in the working population have long had access to regular programs through evening courses in some universities such as Dalhousie in Halifax, the practice has recently been adopted on a much wider scale at Laval, Université de Montréal, and McGill, at both the graduate and undergraduate level. Entrance requirements have been adapted accordingly. Whereas a high school diploma in most provinces or a diplôme d'études collégiales in Quebec is normally required to enter undergraduate programs, exceptions are now being made. Specific arrangements for the purpose of labour studies have also been made between some unions and universities — Université du Québec à Montréal, Humber College in Toronto, McMaster University in Hamilton, Capilano College in Vancouver, Niagara College in Welland, and University of Manitoba in Winnipeg.

The past few years have been marked by a virtual explosion in the number of students enrolled in I.R. programs. Human and financial resources for industrial relations teaching in Canadian universities have unfortunately not kept pace with the growth in student numbers. Thus, in spite of a considerable increase in recent years in the availability of PhDs trained in the U.S. and doctorate holders trained in Europe — principally France and Great Britain — the demand for qualified teaching personnel remains high.

The foregoing was condensed from a paper presented at the International Industrial Relations Association congress in Geneva, September 1976.

The inevitability of public-sector strikes in Canada

by Gilbert Levine

What distinguishes Canada from most other industrialized countries is the relatively low percentage of unionized employees in the private sector and the high level of unionization in the public sector. The overall extent of unionization in Canada is approximately 35 per cent of the labour force, with more than 90 per cent of the public sector unionized compared with approximately 25 per cent of the private sector. This fact in itself has a great deal of impact on the incidence of public-service strikes in Canada.

The accompanying table shows work stoppages at five-year intervals between 1946 and 1970 and then annually from 1970 to 1975. Unfortunately, the pre-1970 statistics are somewhat distorted since they show a high number of public employees involved in strikes, and a large number of man-days lost, in 1950. That was the year of Canada's first national rail strike, involving almost 100,000 workers. Aside from this one anomaly, the table clearly shows that since 1970:

- The proportion of public-sector strikes has been rising.
- The proportion of public-sector workers on strike has been rising.
- Public-sector time lost in strikes has been rising.

The year 1972 shows an extremely high level of public-sector strike activity in Canada. That was the year that almost 200,000 provincial-

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government employees, school employees, hospital and electrical utility employees in the province of Quebec united in a Common Front against the provincial government to achieve a minimum wage. The subsequent strike lasted almost three weeks.

The increased incidence of strike activity in the public sector in Canada may be explained in a number of ways:

- There has been a sharp and dramatic increase in the number of public employees unionized.
- Many of the new groups which unionized did so because of the large gap between their wages and benefits and the wages of those already unionized. Many of the strikes of these groups were to "catch up," a frequent strike slogan in Canada in recent years.
- Public-sector strikes are more visible and tend to be recorded in the Department of Labour strike statistics while some private-sector strikes tend to go unreported.
- Public employees in many jurisdictions are no longer content merely to keep pace with the private sector. A bright and more militant breed of younger public servants are determined to win

conditions superior to those in the private sector. They are succeeding in many cases.

• Historically, public-service jobs in Canada, particularly at the provincial and municipal levels, were filled by relatives, friends and political supporters of the party in office. These employees were less inclined to unionize and strike. They did not want to bite the hand that fed them. Although patronage in filling jobs has not been wiped out by any means, it is certainly much less a factor today than it was a quarter of a century ago. The public employee of today who obtained his employment in a competition or by merit and ability is more confident and possesses more self-esteem. He has been more prepared to strike for his rights than his counterpart of a generation ago.

So much for history. What are the prospects regarding future public-sector strikes? My hunch is that they will likely be more frequent. They will certainly be of longer duration, and they will likely involve larger numbers of workers. Again, my assumptions are based largely on Canadian experience, but I am sure they would have application in other advanced industrial relations systems.

Although public-sector strikes do cause great annoyance, politicians and the public have learned to cope with them. In my union, the mere threat of a strike against a municipality, school board or hospital a decade or two ago

A comparison of work stoppages in the public and private sectors in Canada, 1946 — 1975

Work Stoppages in Existence During Year

Year	Work Stoppages				Workers Involved				Duration in Man-Days			
	Total	Private Sector	Public Sector	Public-Sector Stoppages as a % of Total	Total	Private Sector	Public Sector	Public-Sector Workers as a % of Total	Total	Private Sector	Public Sector	Public Sector as a % of Total
1946..	228	199	29	12.7	139,474	135,147	4,327	3.1	4,516,393	4,516,393	57,520	1.3
1950..	161	136	25	15.3	192,151	57,642	134,509	70.0	1,389,039	334,939	1,054,100	75.9
1955..	159	139	20	12.6	60,090	57,461	2,629	4.4	1,875,400	1,844,263	31,137	1.7
1960..	274	230	44	16.1	49,408	42,037	7,372	14.9	738,700	704,900	33,800	4.6
1965..	501	424	77	15.4	171,870	137,158	34,712	20.2	2,349,870	1,975,590	374,340	15.9
1970..	542	434	108	19.9	261,706	214,037	47,669	18.2	6,539,560	5,919,470	620,090	9.5
1971..	569	444	125	22.0	239,631	139,666	99,965	41.7	2,866,590	2,425,660	440,930	15.4
1972..	598	465	133	28.6	706,747	264,997	441,477	62.5	7,753,530	4,015,360	3,738,170	48.2
1973..	721	583	138	19.1	352,237	213,254	138,983	39.5	5,768,790	4,344,820	1,423,970	24.7
1974..	1,216	925	291	23.9	592,220	449,900	142,320	24.0	9,255,120	8,027,910	1,227,210	13.3
1975..	1,054	726	328	31.1	478,646	321,096	157,550	32.9	10,859,076	8,326,990	2,532,086	23.3

Source: Calculated from *Strikes and Lockouts in Canada*, Labour Data Branch, Canada Department of Labour, for selected years. Private sector includes: forestry, fishing and trapping, mines, manufacturing, construction, trade, and finance. Public sector includes: transportation and utilities, service, public administration.

would quickly have brought the necessary concessions from these employers and the strike would be averted. Strikes that did occur lasted just a few days or a week at the most. These employers were simply not organizationally prepared to cope with a strike.

Today all that has changed. With advanced planning and the use of supervisory personnel, public employers are much better prepared to take on a union in a good long fight. Instead of strikes of a few days or a week, we have recently witnessed municipal strikes of four and five months duration, electrical utility strikes of three months duration, a national postal strike of six weeks, and even hospital strikes of at least one month duration. As a result of

changes in technology, public employers are now prepared to face up to a long strike and the public appears more prepared to endure it. Also public enterprises are not necessarily in the monopolistic position they were in formerly. A few Canadian examples will illustrate.

At the municipal level, the "leverage" enjoyed by a public-service union on strike was centred around the continuing supply of fresh water and the collection of garbage, particularly in the warm weather. Today, water purification is highly automated and a small crew of supervisory staff working extended hours can maintain the water supply for several months. In the matter of garbage collection, a decade ago

most Canadian households disposed of their garbage in cans or boxes. Allowed to stand around for several weeks in hot weather, they would surely "raise a stink." Today most Canadians dispose of their garbage in sealed plastic bags which can be piled up for a month or more without difficulty. Indeed, some municipal governments have been known to issue free plastic garbage bags to householders to ensure that they will cope during a strike.

The major cities of Canada have faced public transit strikes in recent years — Montreal, Toronto, Winnipeg, Edmonton. These strikes all lasted three to four weeks. Because of the high incidence of private car ownership, the public was able to endure

these strikes through the use of alternate services. Similarly, Canadians were inconvenienced but survived a six-week national postal strike in 1975. The business community, which generates approximately 80 per cent of the mail in Canada, found alternate forms of delivery from taxis to inter-city messenger or courier services, telephone and telex.

Changes in technology are thus making public-service strikes less effective. Public-sector unions will find it necessary to turn the screws a little tighter to stay out on strike a little longer, and to find new techniques if the strike weapon is to remain as effective as it was in the past.

One of the main reasons for an expected increase in public-sector strike activity can be attributed to what Richard Deaton calls the fiscal crisis of the state. In an article in the *Journal of the Canadian Union of Public Employees*, June 1972, Deaton

Public-sector strikes will likely be more frequent. They will certainly be of longer duration, and they will likely involve larger numbers of workers

predicted the increasing conflict between the public employee and the state resulting from government's inability to meet payroll demands. He stated: "The heavy demands made by the corporate sector on the government budgets is resulting in a relatively greater demand for revenue than there is a supply of revenue causing government expenditures to outstrip revenues."

The corporate sector has been able to grow and expand because the public, through its governments, has absorbed the costs of maintaining the infrastructure on which it flourishes and profits: railroads, highways, hydro electric power, harbours, airports, sani-

tation, schools and universities, unemployment insurance, and so on. Today in Canada, as well as in most other industrialized countries, the appetite of the corporations has grown immensely. In addition to their traditional benefits, the corporations now want the public to pay for direct subsidies and outright grants, fast depreciation allowances for machinery, grants to locate in economically depressed regions, research and development grants, easy credit arrangements.

In 1975 in Canada we not only had public-employee strikes, we had the threat of private-employer strikes. A consortium of huge oil companies developing the Athabasca oil sands in Alberta for petroleum demanded of the federal government: "Give us a billion dollars or we will pull out and cease operations!" The governments met the oil companies' strike demand and agreed to give them \$500 million to keep the project going. A beautiful case of public funding and private profiteering!

The government of Quebec is currently underwriting the cost of a \$15 billion hydro electric power development on James Bay, that will largely benefit the corporate sector. Both the Quebec government and the City of Montreal have been obliged to subsidize the costs of staging the 1976 Olympics, which were at first to be self-financing.

With governments increasingly assuming financial obligations of benefit to some corporations, is it any wonder that they have difficulty providing decent conditions of employment for their employees? For example, as recently as 1970, Quebec hospital employees were the highest paid in Canada. Today, six years later, they are the lowest paid in Canada,



...a means of saving money and balancing the budget

largely because of the financial crisis of the provincial government.

The corporate share of tax revenue is declining at the same time that corporate demands on the public treasury are increasing. This means greater government deficits. We can foresee the financial crisis of New York City repeating itself with greater frequency in the

...the fiscal crisis has made some public employers realize that strikes can be "profitable"...

future. The financial crisis and government deficits will bring a stiff resistance in meeting the wage demands of public-service employees. This will inevitably bring a greater incidence of public-sector strikes in the future.

In periods of inflation accompanied by economic and fiscal crises, which are all too common in most countries today, governments first put the screws to the public employee. Thus, in 1970, when the government of Canada attempted a program of voluntary restraint, it limited wage increases to 6 per cent, while other employees averaged increases 2 and 3 per cent above this figure. Today the government of Canada is operating a mandatory incomes restraint program for all Canadians, but more specifically, against its own employees. The traditional system of comparability with non-federal government employees has gone by the boards. One does not need much of an imagination to predict the conflict as these employees try to regain lost

ground in the post-control period. The public employee will not want to subsidize his employer through lower compensation merely because his government wishes to subsidize the corporations more heavily.

Another reason that public-sector strikes will be more frequent and last longer is that the fiscal crisis has made some public employers realize that strikes can be "profitable," that is, they can be used as a means of balancing the budget.

A strike in private industry means loss of production, sales, and revenue. While still required to pay overhead costs of plant maintenance, interest, taxes, and payroll for employees not on strike, the private business usually loses income because of loss of sales. It is this penalty endured by the private employer that the striking union expects will provide the pressure for him to increase his offer to the union.

With many public services, however, opposite forces are at play. For many public employers, it "pays" them when their employees are on strike. There is no payroll to be met, so costs are reduced. Yet, there is no corresponding reduction in revenues — the tax money still keeps rolling in despite the strike. I know of no municipal employer who reduced taxes or provided any rebate because the schools were closed as a result of a teachers strike or because the garbage was not collected. Therefore, as a result of the financial crisis faced by many public employers, they are actually encouraging and provoking their employees to strike as a means of saving money and balancing the budget.



...politicians and the public have learned to cope with them

But, public-sector strikes are not necessarily such a bad thing, as some editorial writers and reactionary politicians would have us believe. Strikes help focus attention on industrial relations problems as no other factor can. They help to bring about necessary change. Would any of us want to live in a society without change? As long as we live in a society that is made up of people who rule and people who are ruled, we will have conflict. There is no hope of eliminating these conflicts by some human relations or communications techniques. While it is true that improvements in communications can help focus on the real differences, it is false to hold out some hope that some kind of gimmick will eliminate these conflicts. Therefore, for a long time to come, or until we have some form of egalitarian society, strikes both in the public and private sectors will be inevitable. [g]

Improvements in measuring strike activity recommended

A Queen's University study concludes that the data generally used to measure work stoppages — the number of strikes, the number of workers involved and the number of man-days lost — are inadequate for analyzing variations in strike activity because they are not related to the level of bargaining activity.

The study proposes the adoption of three additional measurements:

- the "incidence" of strikes — the proportion of settlements preceded by a work stoppage;
- a "weighted incidence" — the number of workers involved in such strikes as a proportion of those covered by settlements;
- the number of man-days lost per worker covered by settlements.

This would produce a "composite" measure combining incidence, weighted incidence and average duration, i.e., decisions to strike and the effect of these decisions. The study also says this measure could be converted into a percentage of working time lost if information were available on the number of days worked by those covered by settlements. It notes that the currently used measure, "man-days lost as a percentage of estimated working time" is based on total days worked in the economy, not on days worked by

those involved in settlements or by union members.

The study has been published by the Industrial Relations Centre at Queen's University under the title, *Measuring Strike Activity*. Its author is L.A. Kelly, who conducted the research when he was assistant director of the centre, a post he has since left to become editor and publisher of the bi-monthly periodical, *IR Research Reports*.

Kelly says it is difficult to carry out any meaningful comparative analyses of work stoppages because the existing measures do not take into account whether they occurred during "light" or "heavy" bargaining periods. Nor do they take into account the degree of organization in the industries involved. It is not possible to say

whether changes in the three measures now commonly used result from a change in "the propensity to strike" or simply from a change in the number of agreements negotiated and in the number of workers covered by these agreements. Kelly observes this could lead to wrong conclusions and, in turn, to "inappropriate policy prescriptions":

"For example, an increase in the number of strikes might suggest that labour-management relations are deteriorating. However, if the number of agreements rose more than proportionately, the percentage of agreements preceded by strikes would have declined and the real conclusion to be drawn would be that labour-management relations had improved."

To examine the relationships at the aggregate level between the

Bargaining Activity and Strike Activity in Ontario Manufacturing Industries, 1975*

Industry	Agreements	Workers Covered	No. Strikes	Strikes Settled %	Workers Involved	Workers Involved Covered %	Man-Days	Man Days Per Workers Covered	Avg. Duration (days)
Food & Beverages	190	14,473	10	5.3	1,780	12.3	44,510	3.1	25.0
Rubber	20	2,122	5	25.0	138	15.9	19,630	9.3	58.1
Leather	24	2,953	1	4.2	375	12.7	7,500	2.5	20.0
Textiles	45	8,668	6	13.3	967	11.2	11,070	1.3	11.4
Wood	40	2,496	2	5.0	70	2.8	4,300	1.7	61.4
Furniture	29	2,504	1	3.4	100	4.0	4,700	1.9	47.0
Paper	44	5,681	7	15.9	1,591	28.0	45,050	7.9	28.3
Printing & Pub.	91	5,584	2	2.2	42	0.8	5,420	1.0	129.0
Primary Metal	56	28,289	12	21.4	8,746	30.3	133,790	4.6	15.3
Metal Fabricating	202	17,866	21	10.4	3,026	16.9	91,550	5.1	30.3
Machinery	71	7,190	9	12.7	935	13.0	61,430	8.5	65.7
Transp. Equipment	57	14,077	7	12.3	2,954	21.0	177,840	12.6	60.2
Electrical Products	85	17,319	14	16.5	5,218	30.1	138,070	8.0	26.5
Non-Metallic Minerals	98	8,261	11	11.2	628	7.6	26,730	3.2	42.6
Chemical	65	4,289	10	15.4	1,156	27.0	44,750	10.4	38.7
Misc. Manufacturing	66	5,700	4	6.1	341	6.0	11,890	2.1	34.9
Total Manufacturing	1,221	158,861	123	10.1	28,352	17.8	828,340	5.2	29.2

* Industries in which 20 or more agreements were negotiated in 1975, at least one of which was preceded by a strike

conventional measurements and the proposed measures, Kelly compiled quarterly data for the 1968-1975 period from the Canada Department of Labour's *Monthly Collective Bargaining Review*. It lists all settlements covering 500 workers or more, other than construction, and includes information on the stage at which the settlement was reached, the number of workers covered by a settlement.

Information on the number of man-days lost in situations where settlement was preceded by a work stoppage was obtained from the annual publication, *Strikes and Lockouts in Canada* and from *The Labour Gazette*. In order to analyse variations in strike activity by industry, Kelly used data from the Ontario Department of Labour showing the number of collective bargaining agreements negotiated in Ontario industries in 1975 and the number of workers covered by these agreements. He matched information from the Canada Department of Labour regarding the number of work stoppages occurring during the negotiation of those agreements, the number of workers involved and the number of man-days lost.

He found that at both the aggregate and inter-industry levels, conventional strike measures reflected changes in the level of bargaining activity. However, the measures he proposed "adjust for difference in the level of bargaining activity and accordingly, provide truer indications of the propensity to strike."

Kelly cautioned, however, that no single measure of strike activity will serve as an adequate barometer for labour-management relations and that an analysis of

Analysis of strikes in B.C. and Ontario

Larger bargaining units are more apt to strike than smaller ones, and this may be because their labour-management relations are more impersonal. This conclusion is reached by the independent Canadian bi-monthly publication, *IR Research* in an analysis of strike activity in British Columbia and Ontario, using data provided by both the Canada and Ontario departments of labour. The analysis also supports union skepticism about published figures on the proportion of settlements that are preceded by work stoppages, since the published figures are based on units of 500 or more employees.

Strikes in larger units are generally shorter than in smaller units, but they involve a much greater loss of man-days. *IR Research* suggests the basic explanation may be "behavioural" rather than


economic: "What the pattern reflects, we would suggest, is the growing impersonality of the labour-management relationship as bargaining unit size increases. This explanation is not inconsistent with the longer duration of strikes in small bargaining units. As is well known, family quarrels are often the most long lasting."

The periodical says that more attention should be directed in larger establishments to improving relations within the workplace and reducing the degree of impersonality.

There is also a suggestion for policy makers: "From a public policy standpoint, our analysis suggests that caution is called for before embarking on proposed moves to consolidate bargaining units or to certify broader units."

strike activity should, ideally, look separately at the incidence of strikes and the effects of strikes. Even the proposed measure, "number of man-days lost per worker covered by settlements," has limitations because it depends on how much significance one attaches to "man-days lost" as an index of industrial relations, he points out. "For example, in some industries it is possible to stockpile in anticipation of a strike (and for workers to increase their earnings in the process) and to recoup lost production and

earnings following a strike. In these circumstances, long strikes — and large numbers of man-days lost — really reflect the nature of the industry rather than the state of labour-management relations, and the net loss of man-days may be much lower than the gross figure.

"For some purposes, therefore, and perhaps particularly for the purpose of inter-industry comparison — the incidence of strikes may be a more relevant general measure than the composite one." 

Co-determination, socialism and education

by Ludwig Rosenberg

The question of worker participation in companies' policy decisions has concerned the trade unions and the general public for a long time. Far from being a purely post-war phenomenon, this is an issue with which the labour movement has long been familiar. Originally, and still to some extent today, it was felt that the simplest solution would be to take into public ownership those sectors of the economy known as primary industries, which are now seen to play a decisive and market-dominating role. It was believed that this would put an end to capitalist domination, and that the people or the workers would then effectively be in charge.

However, there is one basic fact which must be realized here, and that is that the expropriation of capitalists certainly need not automatically mean that the workers take over control.

Socialism does not consist simply of socializing [nationalizing] big business. Taking power from one group by no means ensures that the other will assume power. The historical development of capitalism has proved incontrovertibly that monarchical societies are perfectly capable of nationalizing certain industries. In Germany and other countries, there are and have been a large number of such concerns (the railways, the post office and so on) which are and were "public property" in this sense. Yet this has nothing to do with socialism. Bismarck was certainly no socialist. In all the countries which they rule or have ruined, fascist governments have confiscated or nationalized private concerns, or taken them into

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"public ownership", but such activities could not be described as socialist. Socialization, therefore, by no means constitutes socialism. The basic fallacy of this view, which is still held in many quarters, must be stressed.

Even in the countries which call themselves socialist, and in which private property has been almost or fully abolished, the employees of a "people's enterprise" are by no means entitled to control it. Even the Yugoslav form of self-management is subordinated to the guidelines contained in party and state plans.

It should always be asked how far the workers' actual situation in the concerns is altered through nationalization. We should also remember that, in a modern economy, the individual worker is always, under any system, subject to a hierarchy of managerial staff. The type of economic system makes no difference to this. The real issue is whether and to what extent the employee shares in the actual management, whether and to what extent he can influence decisions which affect himself, his working environment and everything concerned with it.

The above remarks make it clear that co-determination is neces-

Taking power from one group by no means ensures that the other will assume power

sary and essential under both capitalist and socialist systems. It is just as wrong to assert that co-determination cannot be effective under the capitalist system as it is to say that it is superfluous under the socialist system since "the business belongs to us all anyway." Social tensions are unavoidable under any economic system. The interests of a concern do not necessarily always coincide with those of its employees.

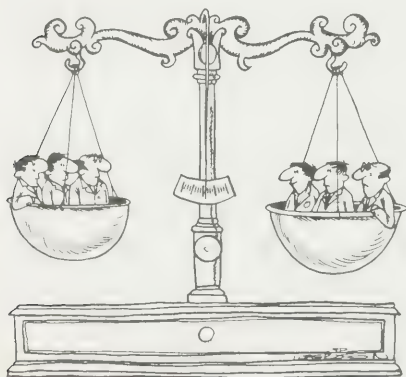
At any time, anywhere there will be conflicts between what makes technical and economic sense and what is humanly and socially justifiable. These can be resolved by a diktat from the ruling capitalists or the ruling party, or through extensive co-determination by the employees themselves. The second method is bound to lead to a compromise. There will have to be consideration of how far the concern, in its productivity and profitability, should fulfil its allotted task within the national economy and how far the legitimate claims of the employees should be taken into account. Under any system, the basic assumption must be that only a successful concern will be in a position to provide those benefits which both society at large and its own employees expect from it. Nowhere, except in the case of certain service industries, will it be possible to fulfil these social commitments unless such positive economic results are achieved.

These are simple but uncomfortable truths. They invalidate the widely-held belief that socialization offers the complete solution to the problems of

dependent workers. It is not only the developing countries which often have difficulty in coming to terms with such a realization. The industrialized countries, too, are often helpless in the face of this problem.

It can, however, hardly be disputed that co-determination by employees and their trade unions is an urgent necessity under any economic system. Otherwise, the problems which inevitably arise can be resolved only through constant unrest and struggle. Experience shows that this usually leads to the use of the trade unions' ultimate weapon — strike action (wherever this is possible, i.e. in democratic capitalist countries. In other places a diktat from the ruling party can rule this method out). It may be that strike action, which the unions rightly regard as the "ultimate weapon" is, necessary and inevitable. Economically, however, it causes, like every "war", just as much damage to the victor as to the vanquished. It leads to loss of production and profit and reduces the economic benefits which can be shared out.

Workers' co-determination, as applied to the decisions taken in an enterprise and to basic economic decisions, is a practical method of resolving both new and long-existing conflicts and defusing wherever possible any explosive situations which might arise.



To be effective in practice, co-determination requires special economic and business know-how

Management decides whether, how, where and what should be produced, what investments should be made for what at which moment, how internal economic, technical and other structural changes affect employees and what can and must be done to minimize or prevent needless social hardship. It decides everything which directly or indirectly determines the employees' livings and their social situation. It is here that the autocracy of the capitalists or the technical experts must be counter-balanced with co-determination by those directly affected.

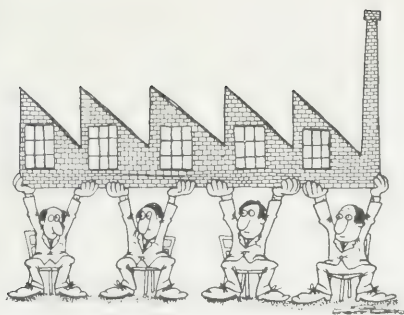
Space does not permit consideration of all the various forms of co-determination. They are well-known and are discussed all over the world. The German model of paritative co-determination in the coal, iron and steel industries has really proved its worth during its more than 25 years of existence. Here, however, we are chiefly concerned with certain basic principles which are of decisive importance in any such scheme.

The first principle is that of parity. In other words, real co-determination exists only if, on management bodies, the freely elected representatives of a concern's employees are absolutely equal in numbers and rights with the representatives of the company's management and the capitalists or with the appointed officials and experts. Anything else is just co-operation, consultation or at the most participation. Co-determination means of necessity that decisions are taken by partners equal in numbers and influence.

The second principle is that it must be realized that the trade unions will, whether they like it or not, be among those whom the public blames for any difficulties that may arise in the economy. It is no use the unions' saying that this is not their responsibility because they do not have the right of co-determination. After all, if they are doing their job properly, they will, through their pay policies, their social policies, their demands and their omissions, directly or indirectly influence their country's economic and social policies. So there is not much point in the trade unions' rejecting co-determination on the grounds that they do not want to take over, or rather share, the responsibility for enterprises' economic performance. Nor will such arguments convince the general public.

Co-determination means that decisions are taken by partners equal in numbers and influence

Unions often say that spurning co-determination leaves them "freer to pursue the workers' interests." However, the workers' interests cannot be represented without the necessary knowledge of economic, technical and other conditions. The only way of gaining information on such matters is through access to all documents and plans. This access is possible only if one sits on bodies which possess these papers and take decisions on them. Moreover, it is precisely such knowledge, for which there is no substitute, which enables us to make rational decisions which accord with the workers' interests. We cannot escape our responsibilities, whatever we may say. We must establish the conditions which will enable us to share this responsibility.



The third principle is that, in order to take on responsibility and achieve real co-determination, one must have or acquire the necessary knowledge. Playing a full part in decision-making bodies means knowing what one is talking about. One must know all about the balance-sheets and have at least some economic and business know-how, so that the experts cannot blind one with their so-called science.

Marx's maxim, "Knowledge is power" is fully applicable here. Seats on decision-making bodies should not be given to "reliable, long-serving brothers," nor should they be sinecures for ambitious upstarts. We are dealing here with very serious matters which have far-reaching consequences — with the whole basis of our brothers' and sisters' lives, with their livings, with humane working conditions and with long-term economic decisions and all their social consequences. Meaning well is not enough — knowledge and ability are essential. Nobody should be under any illusions — this is a hard and responsible job. Anyone taking it on bears a double responsibility, firstly for his fellow-workers in the enterprise and secondly for the enterprise itself.

Just taking part in the meetings of the management bodies is not enough. The whole fabric of the concern and of our fellow-workers' livings is at stake. One must nail one's colours to the mast, say "yes" or "no", and give one's reasons. If I keep rubbing this in, it

is because I know from my own experience how heavy such a responsibility is. Yet it must be borne if one wants to do more in meetings than gain the accolades of the crowd, if one really want to help and represent the workers' interests.

This is why the third principle must be "Learn". It is simply not true that only a small class of people is capable of understanding economic relationships, running enterprises and taking decisions. Neither the capitalist's money nor the party secretary's position automatically imparts the expertise which is needed for such tasks.

...co-determination by employees and their trade unions is an urgent necessity under any economic system

However, the knowledge which is needed never comes of its own accord. It must be learned. And it can be learned. It must therefore be the trade unions' principal task to impart this knowledge to all their members, and particularly to those who need it in order to carry out such duties properly and effectively. This must increasingly become one of the main functions of trade union educational work. There is no point in simply explaining how things are. If one wants to change them, then one must know how and by what means. The economic system makes no difference. Under any system, the alternative is to remain subject to the decisions of others. And that is not socialism, nor is it democracy, nor is it the image of a really free, socialized society.

All of which leads one to the following conclusions. Trade unions cannot evade their responsibility for economic and social

developments. They can assume this responsibility only if they can practice co-determination on equal terms whenever decisions affecting the future of their fellow-workers are taken. Such co-determination is necessary and indeed indispensable under any economic system, since conflicts between the interests of a concern and those of its personnel arise under any system.

To be effective in practice, co-determination requires special economic and business know-how. These are the tools needed for the job. This is the necessary and meaningful way of achieving our demands for self-determination, personal and collective freedom and democracy as a way of life. For democracy must not stop at the factory gate, must not be excluded from the workaday world. Co-determination cannot, and this is perhaps the least palatable lesson to be learned from all this, be practised without the necessary knowledge. No law can replace such knowledge and trade unions cannot ever do enough to counteract, through their own educational work and the extension of school education, including economics, the privileges which such knowledge gives to certain circles.

The International Confederation of Free Trade Unions has, from the time it started its educational work, played a particularly important role in the developing countries. Those of its leaders with responsibility for these matters should see that the successful work in this field is continued and greatly expanded.

For knowledge is power — and power without knowledge is blind and dangerous.

Reprinted from Free Labour World

Developments in educational leave of absence

by Linda Rheame

Most people in Canada think of adult education as an evening course in dressmaking at the local high school. But if you are lucky enough to be a truck driver in Belgium, you could earn over \$700 a month by going back to school. Your classes are likely to be held at night and on weekends, so your boss will grant you what is called "compensatory leave." For every hour you spend at school, you will get an hour off work with no loss of wages. Your boss and the government will split the cost and your job will be waiting for you when you get back.

Last year, the Organization for Economic Co-operation and Development produced a report, *Developments in Educational Leave of Absence*, which serves as a quick introduction to the maze of European legislation on educational leave. The report also includes a gallant attempt to describe the state of back-to-school opportunities for North American workers. Since there is no U.S. or Canadian legislation guaranteeing educational leave for workers, the OECD focuses on developments in the federal public service and a few of the larger, more progressive firms.

The OECD's Centre for Educational Research and Innovation reports that in the U.S., the federal civil service, the most powerful trade unions, and some collective agreements offer thousands of American workers the chance to go back to school. Unfortunately, these large numbers are only a small proportion of the work force.

Linda Rheame is an Ottawa freelance writer.

Since no legislation exists to make educational leave a right, all negotiations for such leave are fought at the level of individual unions. Consequently, progress depends on spotty philanthropy, on the special circumstances of industries facing radical technological change, or on wealthy labour unions with fat educational budgets.

By comparison, European trade unions are far ahead in the struggle to achieve real equality of educational opportunity. In Europe, workers, bosses, teachers and government officials get together to establish policy for guaranteeing educational rights. In Britain, for example, every company pays a proportion of its wage bill into an education fund. When workers take time off to attend approved courses the fund pays their wages.

Throughout Europe, the right to lifelong education is becoming increasingly institutionalized. Educational leave is treated in the same way as health insurance and pensions — employers are expected to pay their share. The inspiration for this educational leave policy has come from both

Throughout Europe, the right to lifelong education is becoming increasingly institutionalized

unions and employers, with government co-operation. Most importantly, many European countries use the definition of educational leave drawn up by the International Labour Organization. The ILO defines educational leave as vocational training, general education (which may include upgrading workers to meet literacy standards), and trade union education.

Some countries, such as Belgium, Italy and Sweden, endorse "recurrent education" for its own sake. They believe that adults ought to be able to go back to school without loss of pay. And workers ought to be able to choose their courses themselves, regardless of vocational applicability. Everywhere, the state has assumed the responsibility for educating children and young adults. Why should collective responsibility for education end when a worker enters the labour force? Why should workers be forced to neglect their families while they sweat through night school? This argument in its most controversial form says that employers should pay for the failure of primary schools to educate workers up to current literacy levels.

Industrialists are even expected to pay for trade union education so that workers can become more skilled in negotiating with them. (Although the OECD usually presents both sides of the debate, here it fails to mention the dangers of co-optation which employer-funded union education might encourage.)

Proponents of education as an individual right believe that employers and the state have a joint responsibility to help older workers catch-up with their younger colleagues whose initial education was superior. But this is the view of only a very few countries. Other countries see adult education as a way to fulfill national objectives. Advocates of this view talk about "the future needs of industry" and "the promotion of democratic practices

The OECD believes that the right to educational leave must be an integral part of social policy

in industry as a means of fostering social concord." They say employers should pay only for job-related training. Workers should only go back to school at the employer's request. In this view, general education and personal development is the responsibility of the individual. If someone wants to study Marx, let him do it on his own time.

Most countries fall somewhere between these two views. They acknowledge the right to educational leave and — the most crucial right of all — the right to be re-employed in one's old job. But they do not necessarily pay workers while studying.

The OECD adopts the first, more radical view. It believes that the right to educational leave must be an integral part of social policy. It follows that secondary and university education systems must adjust to the notion of lifelong education.

It is often the people who contribute to economic growth who become its first victims, the OECD

points out. Because workers contribute to technological advance and social change, it ought to be the responsibility of the state and employers to retrain those workers to function in the world that they have helped to create.

But like so many other social programs, paid educational leave may aid least the ones for whom it was intended. Drop-outs from traditional education are the very people least likely to take advantage of retraining opportunities. Says the OECD, "It is a well-known fact that, in matters involving training, if free rein is given to natural mechanisms, the only result can be increasing inequality." The man with his first degree has the savvy to lobby to be sent to Harvard, all expenses paid, but the weary labourer looks with dismay at the prospect of repeating his dreary school days. One solution is to disqualify the well-educated from educational leave to allow the less-educated to catch-up. In France, educational leave is not available for two years after university graduation.

The OECD study is quick to point to the distortion that results if we look only at the national legislation on educational leave in Europe. For example, there is no information on the number of workers who are eligible for leave but who do not take it. Some workers who are eligible for paid leave prefer to study on their own because they do not want their bosses to become aware of their deficiencies or their ambitions.

In Europe, unions play a large part in encouraging labourers and all blue-collar workers to head back to school — and not for job-related training alone. In 1974, Belgium extended its definition of paid educational leave to cover "intellectual, moral and social educa-

The Personnel Journal



"Are you sure you won't quit after a year or two to get married?"

tion." Now workers are paid to study politics and economics through courses organized by trade unions and youth associations. Significantly, the push for paid educational leave has not come from educators. Trade unions, political parties and employers faced with technological change are the ones responsible for the many opportunities available to European workers.

...like so many other social programs, paid educational leave may aid least the ones for whom it was intended

The OECD team quietly confounds those critics of educational leave who claim recurrent education is a chimera which fills workers with false hopes. It is true that a policy of lifelong education encourages workers to think that "the cards will be perpetually re-dealt." And this may well forestall "The Revolution." But for those who prefer evolutionary to revolutionary change, educational leave is a welcome step toward gradual social reform.

Developments in Educational Leave of Absence is a meaty,

troublesome book, full of legislative gobbledygook and unfamiliar terms. What, for example, is meant by training that enables workers to "sustain their culture"? What is educational leave that tries to introduce "increasingly higher cultural standards for the working class"? What is "social education"?

Significantly, the push for paid educational leave has not come from educators

Although the book is supposed to be about educational leave for workers, it deals with so many kinds of educational opportunities that the definition of educational leave becomes blurred. It mentions language training for immigrants, apprenticeships, and the wide variety of educational opportunities available in the United States — among which paid educational leave is only one.

Canadian readers should be aware that paid educational leave means different things in Canada and Europe. In Canada, 'paid educational leave' usually refers to time-off — with full pay — to attend a post-secondary institution. In Europe, 'paid educational leave' means education at *all* levels. In Europe, educational leave seems to include in-house training, a

relatively strange concept to Canadian sensibilities.

In spite of these difficulties, the report is a fine attempt to discuss the issues in the debate about recurrent, lifelong education. With any luck, it will inspire some comparative Canadian studies.

Conversations with training officers and labour leaders here in Ottawa revealed that lifelong education for Canadian workers is a notion that is receiving more and more attention. Despite economic uncertainty, the Canadian federal public service has exploded with educational opportunities for government employees. However, one federal public service executive I spoke to said he personally did not feel that civil servants should be paid for courses of their own choosing. Workers should only be paid to go back to school if their studies fit in with their employer's needs and future plans. Otherwise people are likely to educate themselves at public expense for jobs that do not exist.

I began to wonder if common corporation policy of paying part or all tuition costs for workers who take university-level evening courses has been carefully thought out. Even job-related courses do not necessarily payoff in greater opportunities on the job. A woman may well ask her boss why the company paid for her

...paid educational leave means different things in Canada and Europe

course in business administration if she was never going to administer more than the stockroom.

A quick telephone survey revealed that a surprising number of collective agreements in the Canadian private sector include clauses about educational leave, leave for personal development, retraining, and time off on union business, but unlike Europeans, Canadian workers have relatively little say collectively about the kinds of courses available to workers and the decisions about which workers, or which types of workers, will receive paid leave.

In Canada, educational leave is thought of as a reward to senior staff for faithful service, or as a lure to attract prospective employees. In the public service, it is a well-known device to shift an entrenched executive out of a job to make way for the new boss's favorite. In political life, a Senate appointment might be regarded as permanent educational leave.

Certainly Canada has a long way to go before the janitor downstairs will be offered a chance to head out to Victoria to study Chaucerian verse. 

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Employment fatalities in Canada — 1975

Fatalities by region

Preliminary figures show decreases in fatalities in all regions across Canada.

British Columbia and the Prairie region experienced drops of 8.2 per cent and 14.4 per cent respectively in fatalities in 1975 while employment in these regions increased by 3.1 per cent and 2.3 per cent. By comparison, fatalities increased by 16.3 per cent in British Columbia and 27.9 per cent in the Prairie region in 1974 over 1973. Employment increased 6.3 per cent and 4.8 per cent respectively in 1974 over the previous year.

Similarly, Ontario witnessed a sharp decline in fatalities in 1975 in spite of a slight increase in workers employed. However, the fatality total comes from the initial return of reports and the number may change substantially when all reports are received. Ontario had an increase in fatalities of 45.9 per cent in 1974 followed by a decrease of 42.1 per cent in 1975, with increases of 4.6 per cent and 1.8 per cent in employment in these respective periods.

Quebec and the Atlantic region also experienced decreases in fatalities and increases in employment in 1975. Fatalities in Quebec and the Atlantic region dropped by 25.6 per cent and 40.7 per cent respectively in 1975, compared with decreases at 8.8 per cent and 12.8 per cent respectively in 1974 over 1973. Employment in 1975 in Quebec and the Atlantic region

increased by 1.4 per cent and 1.1 per cent compared with increases of 3.1 per cent and 3.8 per cent respectively in 1974 over the previous year.

Fatalities by industry

Goods-producing industries, which in 1975 continued to employ one third of all workers, again accounted for two thirds of the total fatalities. In contrast, the service industries employed nearly two thirds of all workers but suffered slightly over one third of the fatalities. The mining and

forestry industries are the most hazardous industries, with fishing being third. Finance is the least hazardous.

Fatalities by sex

In 1975, men again made up two thirds of employed workers and suffered 99 per cent of total fatalities. Women comprised one third of workers employed and 1 per cent of total fatalities reported. These figures reflect the concentration of women workers in the less hazardous service and finance industries.

NFB



Goods producing industries accounted for two-thirds of fatalities

Incidence rates

The country-wide incidence rate, the relationship between fatalities and the number of workers, decreased in 1975 to 0.11 from 0.16.

Fatalities by accident type

Two new accident type categories are introduced with these 1975 tables. They are "asphyxiation and drowning" which had previously been combined with "fall and slip," and "cardio-vascular

disease" which had in the past been included with "over-exertion" or "miscellaneous" accident types. Two accident types were also combined: "struck by objects" and "striking against." In 1975 three of the eleven types of accidents accounted for over half of the total fatalities. These were "public transport and motor vehicle," "struck by or against object," and "systemic poisoning by inhalation, ingestion or absorption," a category which includes industrial diseases.

Fatalities by age

In 1975 the under-25-year age group suffered 16.2 per cent of fatalities. The incidence rate, which equals the number of cases per 1,000 workers employed in the age group was 0.07. The corresponding 1974 figures were 16.2 per cent and 0.10. For workers 25 years and over, the percentage of the total fatality figure and the incidence rate in 1975 were 77.8 per cent and 0.12, compared with 83.8 per cent and 0.18 in 1974. Six per cent of the fatalities reported had no age information indicated.

Fatalities by region, January 1973 to December 1975

Region	Workers employed (thousands)			Percentage of total			Percentage change	Fatalities*			Percentage of total			Percentage change
	1973	1974	1975	1973	1974	1975	1974/75	1973	1974	1975	1973	1974	1975	1974/75
Atlantic.....	676	702	710	7.7	7.7	7.6	1.1	141	123	73	11.5	8.4	7.0	- 40.7
Quebec.....	2,353	2,427	2,462	26.9	26.6	26.5	1.4	261	238	177	21.3	16.2	17.0	- 25.6
Ontario.....	3,367	3,519	3,581	38.4	38.5	38.5	1.8	414	604	350	33.7	41.2	33.5	- 42.1
Prairie.....	1,426	1,494	1,528	16.3	16.3	16.4	2.3	190	243	208	15.5	16.6	19.9	- 14.4
British Columbia....	937	996	1,027	10.7	10.9	11.0	3.1	221	257	236	18.0	17.5	22.6	- 8.2

* Preliminary

Fatalities by industry, January 1973 to December 1975

	Goods-Producing			Service-Producing		
	1973	1974	1975	1973	1974	1975
Workers employed (in thousands) . . .	3,211	3,328	3,263	5,548	5,810	6,045
Percentage of total.	36.7	36.4	35.1	63.3	63.6	64.9
Fatalities*	735	889	648	492	576	396
Percentage of total.	59.9	60.7	62.1	40.1	39.3	37.9

* Preliminary

Fatalities by sex, January 1973 to December 1975

	Men			Women		
	1973	1974	1975	1973	1974	1974
Workers employed (in thousands) . . .	5,767	5,977	6,017	2,992	3,161	3,291
Percentage of total.	65.8	65.4	64.6	34.2	34.6	35.4
Fatalities*	1,213	1,441	1,031	14	24	13
Percentage of total.	98.9	98.4	98.8	1.1	1.6	1.2

* Preliminary

Data may not add due to rounding

Fatalities in Canada by industry* 1966-1975

Year	Agri- culture	For- estry	Fishing	Mining***	Manu- factur- ing	Con- struc- tion	Trans- port	Trade	Finance	Service	Public Admin- istration	Totals
1966.	0.10	1.45	1.42	1.21	0.13	0.59	0.40	0.05	0.00	0.03	0.07	0.17
1967.	0.05	1.34	1.32	1.61	0.11	0.47	0.36	0.05	0.02	0.03	0.08	0.16
1968.	0.05	1.28	0.79	1.15	0.10	0.46	0.26	0.05	0.00	0.02	0.14	0.14
1969.	0.06	1.10	0.86	1.40	0.11	0.49	0.30	0.05	0.01	0.03	0.14	0.14
1970.	0.03	1.31	1.25	1.20	0.10	0.41	0.27	0.05	0.01	0.03	0.16	0.13
1971.	0.04	1.29	0.50	1.26	0.10	0.45	0.29	0.05	0.01	0.03	0.13	0.14
1972**.	0.06	1.07	0.45	1.38	0.13	0.41	0.31	0.05	0.02	0.05	0.11	0.15
1973**.	0.05	1.18	0.60	1.35	0.12	0.37	0.31	0.05	0.01	0.03	0.15	0.14
1974**.	0.08	1.04	0.46	1.62	0.15	0.42	0.33	0.08	0.01	0.05	0.11	0.16
1975**.	0.03	0.96	0.83	1.13	0.10	0.33	0.22	0.04	0.01	0.03	0.14	0.11
1966-1975 average.	0.05	1.21	0.87	1.33	0.12	0.44	0.30	0.05	0.01	0.03	0.12	0.14

*Number of fatalities per 1000 workers employed. Values are rounded to the nearest even 100th.

**Preliminary

***Includes fatalities resulting from occupational diseases such as silicosis, lung cancer, etc. In 1975, 81 fatalities of this type were reported.

Fatalities in Canada — January to December 1975**

	By industry*												Total	Per cent of Total
	Agriculture	Forestry	Fishing ¹	Mining ²	Manufacturing	Construction	Transport ³ & Utilities	Trade	Finance ⁴	Service ⁵	Public Administration	Not given		
By age group														
Not specified	2	3	4	12	14	8	9	6	1	1	3	0	63	6.0
Under 25	3	12	0	19	32	37	32	8	0	14	12	0	169	16.2
25 and over	7	54	15	118	156	152	133	46	2	58	71	0	812	77.8
Total	12	69	19	149	202	197	174	60	3	73	86	0	1,044	100.0
By occupation†														
(a) Farmers	4	1	0	0	1	0	0	0	0	1	0	0	7	0.7
(b) Loggers	0	40	0	0	3	0	1	0	0	0	1	0	45	4.3
(c) Fishermen	0	0	18	0	5	0	0	0	0	0	0	0	23	2.2
(d) Miners	1	1	0	108	5	5	1	0	0	2	1	0	124	11.9
(e) Craftsmen	2	10	0	23	100	114	34	24	0	22	12	0	341	32.7
(f) Labourers	1	4	0	4	32	47	8	6	1	2	16	0	121	11.6
(g) Transport Managerial	2	8	1	6	14	5	108	9	0	5	5	0	163	15.6
(h) Professional	0	2	0	1	12	11	6	9	1	7	6	0	55	5.3
(i) Clerical	0	1	0	3	5	2	4	1	0	9	8	0	33	3.2
(j) Sales	0	0	0	0	3	1	2	1	0	1	3	0	11	1.1
(k) Service	0	0	0	0	5	0	0	6	0	0	0	0	11	1.1
(l) Not given	0	1	0	0	2	0	2	0	1	22	23	0	51	4.9
Total	2	1	0	4	15	12	8	4	0	2	11	0	59	5.7
Total	12	69	19	149	202	197	174	60	3	73	86	0	1,044	100.0
By Type of Accident‡														
(j) Public Transport and Motor Vehicle	1	14	1	12	29	36	82	21	0	20	28	0	244	23.4
(k) Struck by or Struck Against	2	35	2	23	37	53	27	10	0	11	18	0	218	20.9
(l) Caught in, on, or Between	3	9	0	15	13	14	11	8	0	2	2	0	77	7.4
(m) Fall and Slip	4	1	0	11	15	39	12	2	1	7	5	0	97	9.3
(n) Asphyxiation and Drowning	0	6	16	0	5	5	12	0	0	6	1	0	51	4.9
(o) Systemic Poisoning by Inhalation, Ingestion or Absorption	2	0	0	81	45	8	6	2	0	8	6	0	158	15.1
(p) Fire, Explosion and Contact with Temperature Extremes	0	1	0	0	19	7	9	3	0	2	3	0	44	4.2
(q) Over-exertion	0	1	0	0	4	1	1	1	0	0	3	0	11	1.1
(r) Cardio-Vascular Disease	0	1	0	3	15	13	5	7	2	4	11	0	61	5.8
(s) Contact with Electric Current	0	0	0	2	16	20	8	2	0	3	4	0	55	5.3
(t) Miscellaneous	0	1	0	2	4	1	1	4	0	10	5	0	28	2.7
Total	12	69	19	149	202	197	174	60	3	73	86	0	1,044	100.0
Percentage of Total	1.1	6.6	1.8	14.3	19.3	18.9	16.7	5.7	0.3	7.0	8.2	0		100.0


* Includes: (1) Trapping and hunting; (2) Quarrying and oil wells; (3) Storage, communication, electric power, gas and other utilities; (4) Insurance and real estate; (5) Community, business and personal service.

† Includes: (a) Farm workers; (b) Related workers; (c) trappers and hunters; (d) Quarryman; (e) Production process workers; (f) Unskilled workers (not agricultural, logging, fishing, or mining); (g) Communication workers; (h) Technical occupation workers; (i) Recreation workers.

‡ Includes: (j) collisions, crashes, derailments, sinkings; (k) stepping on, bumping into, pushed or thrown against objects, struck by tools, vehicles, etc.; (l) machinery, vehicles, etc.; (m) on same level and to different levels; (n) all work drownings in boat accidents, falling into water; (o) industrial diseases such as silicosis, asbestosis; radiation effects such as lung cancer; (p) deaths from injuries in fires and explosions such as asphyxiation, falls, struck by flying objects; (q) strains, hernias, etc.; (r) arterial diseases, cerebro vascular diseases, etc.; (s) lightning; (t) homicides, suicides, bites, stings, unspecified.

** Preliminary

Source: Fatalities reported by Workers' Compensation Boards.

Data may not add due to rounding 

Labour legislation in Canada, 1976

Part 1B — Public sector and construction

by Nicole Marchand

In 1976, legislation governing teachers, hospital workers, civil servants and the construction industry was adopted in various provincial jurisdictions.

Teachers

The **Newfoundland Teachers (Collective Bargaining) Act, 1973** was amended to provide that where teachers employed in schools operated by companies in Labrador are comprised within a separate bargaining unit, the bargaining agent for that unit and the school boards may each appoint a committee for the purpose of collective bargaining. The amending Act also stipulates that the minister of manpower and industrial relations will make appointments to a conciliation board where one or both parties fail to appoint an appropriate member to the board. Prior to this amendment, appointments were made by the chairman of the Labour Relations Board. Where the minister informs the applicant for a conciliation board that he does not intend to appoint a board, seven days must elapse from the date the minister has notified the applicant of his intention before any strike or lockout may take place.

In **Nova Scotia**, an amendment to the Teaching Profession Act which received royal assent on May 20, 1976 establishes that the professional committee of the Nova Scotia Teachers' Union will have

Nicole Marchand is a legislation analyst with Labour Canada

authority to make determination regarding charges of unbecoming conduct by a teacher and direct that the teacher may be dismissed, reprimanded, suspended or expelled from the union for such conduct. This authority was vested in the executive of the union before the amendment became law.

In July 1976, all regulations made under the School Act of **Prince Edward Island** were rescinded. The new regulations include provisions related to collective bargaining and the grievance procedure for instructional personnel.

By virtue of these regulations, the parties to the negotiation of a teacher agreement are the authorized representative on one hand and the government of Prince Edward Island on the other. The

authorized representative is a designated teacher organization that can establish to the satisfaction of the authorizing body (consisting of the minister of education acting as chairman and two other members appointed by the minister) that it represents more than 50 per cent of the teachers in the province and that a majority of the teachers has authorized it to represent them in negotiations.

Within a period of three months and 14 calendar days (not including July and August) notice to bargain must be given by either party. Negotiations must commence within 14 calendar days after the notice is given. Where the parties are unsuccessful in reaching a collective agreement through negotiation, a conciliation officer may be appointed to the dispute. If no settlement is reached with the assistance of the conciliation officer, either party may request the minister to appoint a board of arbitration. An arbitral award is binding on the parties to the dispute and becomes part of the new teacher agreement with all the matters previously agreed upon in negotiation or conciliation.

The new regulations provide for the establishment of an interpretation committee composed of members appointed by the government and the authorized representative to which any dispute or question relating to the interpretation of a teacher agreement will be



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referred. Where the committee is unable to agree upon an official interpretation, the matter is submitted to a board of reference whose decision is final and binding. A grievance review board is also established to hear grievances that may be filed by either party to a teacher agreement, by a regional school board or by a teacher.

Hospital workers

According to a regulation adopted under the Hospitals Act, the parties involved in the negotiation of conditions of employment for hospital workers in **Prince Edward Island** may refer unsettled disputes to a conciliation officer and/or a board of arbitration in order to conclude a collective agreement. The conciliation officer appointed to assist the parties must report his success or failure to the minister of labour 14 days after his appointment. However, this term may be extended by the labour minister or according to an agreement between the parties. A board of arbitration appointed by the minister of labour upon request of either party to which a dispute is referred has power to make awards on salaries, wages, hours of work, overtime and other allowances for work performed, vacations and holidays with pay, the grievance procedure and such other items which are presented by mutual agreement of the parties. Every collective agreement concluded in accordance with this regulation will remain in force for at least one year and not more than three years.

Civil servants

In **Alberta**, The Civil Service Association of Alberta Repeal Act became law June 14, 1976. The purpose of the Act is to dissolve the association and substitute in its place The Alberta Union of Provincial Employees. All assets and liabilities are transferred by legislation from the association to the union. Members of the association, of the provincial executive and of the various committees of the association become members of the union or hold office pursuant to the by-laws of the union.

The **British Columbia** Public Service Labour Relations act was amended in June 1976. The purpose of the amendment is to reflect the changes in the Public Service Act whereby the Treasury Board through the Government Employees Relations Bureau becomes the bargaining agent on behalf of the government. The bureau will bargain collectively the terms and conditions of employment and execute on behalf of the government the collective agreements that may be concluded. It will provide assistance respecting the interpretation and application of a collective agreement or any Act relating to labour relations affecting the government or a department and in any difference that may arise in the interpretation, application, or alleged violation of a collective agreement.

In the **Yukon Territory** the ic Service Commission ordinance received royal assent on May 27,



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1976. The ordinance establishes a Public Service Commission which has the power to make appointments to — or from within — the public service, to test qualifications and establish a classification plan and to negotiate on behalf of the Territory with an authorized bargaining agent.

Construction Industry

In **Québec**, the constitution of the Office de la Construction du Québec was established by regulations in April 1976. The regulations provide that the office must convene at least eight meetings each year. It may establish committees and subcommittees to which the three members of the office are members ex-officio. The secretary of the office organizes and co-ordinates the duties of the permanent office, attends meetings and prepares the minutes. He also holds and keeps all official documents of the office. The regulations also provide that any amendment to the constitution must be adopted at a meeting of the office in accordance with the Construction Industry Labour Relations Act. [g]

comment

Bigness in labour

I think most Canadians are suspicious and antagonistic about big labour, and I think it is a big mistake....Canada would be better off if we had a trade union movement as strong as the trade union movement of such countries as Great Britain, West Germany and Israel....

I am not speaking of the sporadic use of raw union muscle which can shut down an industry or cripple the economy. That kind of activity represents a breakdown of the free collective bargaining system. A strong trade union movement is one in which the country's trade unions are bound together as a cohesive national labour organization. A strong labour movement is one that works as part of the national industrial system, instead of fighting against the system. A strong labour movement can reach accommodations with government on economic and social policies as well as maintaining labour's share of national income through collective bargaining. That's the kind of labour movement which exists in Britain, Western Europe, Israel, and to a high degree, in the United States.

It is a mistake to talk about a "powerful" trade union movement in this country. In Canada, the labour movement is not strong. It is weak. It is fractured into 192 international, national and independent unions with more than 9,000 highly autonomous local unions. The typical local union has 200 or 300 members. The move-

ment represents less than 30 per cent of the labour force. The Canadian Labour Congress is the largest conference of unions; its affiliate unions represent about 71 per cent of all union members in Canada. But the Congress has no authority over the collective bargaining objectives and behaviour of its affiliates, and only limited disciplinary power over its affiliates. In view of this decentralization and local autonomy, it is remarkable that trade unions have made the gains that they have.

Sometimes when I speak to an audience about the need for a stronger trade union movement, I can feel the antagonism. It fairly bristles. I can anticipate the questions — and the editorials in tomorrow's newspapers. How about all the strikes? How about unions that can shut the country down, or shut an industry down? How about picketing and secondary boycotts? How about the 9 to 10 million man-days we lose every year in labour-management disputes — more than any industrial country?

When these questions are raised, we are only talking about the symptoms of unhealthy, maladjusted industrial relations. The workers also pose their questions. What about the employer who lays off workers capriciously? What about the employer who shuts down and moves his plant away without notice? What about the employer who contracts out work and lays off his employees? What about the employer who speeds up the assembly line? The questions are just as numerous.

When Canadians talk about the need to curb the power of big labour, they are really expressing their displeasure about the adversarial aspects of our industrial relations system. We have a free labour market, and we have freedom of association in Canada. We recognize the right of workers to join trade unions; we certify the union which is supported by the majority of employees to be their bargaining agent; and we require the union and the employer to bargain in good faith in order to reach a collective agreement. In most situations the union and the employer do reach agreement. Where they can't agree, they must submit to a conciliation procedure under the Minister of Labour. The vast majority of negotiations are successful either at the voluntary level, or at the conciliation level. The rest are either dropped (that doesn't happen too often), or they go to a strike or a lockout.

Nobody likes a strike, nobody likes to be locked out — particularly workers who lose their pay and employers who lose their production. Third parties — members of the public — don't like strikes or lockouts that inconvenience them or worse, those that prejudice their health and safety. The answer isn't outlawing strikes and lockouts. That would only lead to illegal strikes and punitive layoffs. Instead the answer is to undermine the adversary elements in labour-management relations and get labour and management to work together on common goals.

John Munro

Minister, Labour Canada, Ottawa

The fair-comparison principle: a way to avoid public-sector strikes

Whereas the right to strike must be confirmed and continued, the occurrence of strikes can be greatly reduced throughout the public sector, and virtually eliminated in some segments of it, by the adoption of the principle of fair comparison with jointly selected employers in the private sector. That would mean replacing the power struggle of the adversary system by what Professor Hugh Clegg of the University of Warwick calls "a highly developed system of ensuring that the pay for each grade does not fall behind that of its outside analogues or, where no satisfactory outside analogues are available, that it keeps pace with the movements of comparable grades within the [public] service."

This system of fair comparison with a universe of jointly selected outside employers, generally deemed to be "good employers," would be based upon and supplemented by a highly developed network of consultation, fostered in turn by the non-adversary environment. Where it has been used and

coupled with vigorous consultation or virtually everything, the fair comparison process has appeared to remove the causes of strikes. Where it is not followed, strikes are resorted to because of a sense of falling behind in pay of one group or another in circumstances where the group believes it has an historical and just relationship with another group.

In Canada, the Parliamentary committee found the federal public service turning increasingly to employ the full leverage of the adversary bargaining system. It confirmed the validity of the system and entangled the service more deeply in it. Strikes in the public service seem therefore more certain and likely to be more frequent than would be the case had the committee recommended the fair comparison principle. This, I believe, is the basic flaw in the committee's work, one that will not be overcome by its many useful proposals, its recommendations to extend the scope of bar-

gaining, or by a powerful board and massive penalties.

One observes already a marked tendency to reject the arbitration option — whose inadequacies in the federal public service have been so clearly demonstrated by Professors Barnes and Kelly — and increasingly to choose the conciliation-strike route, both being open to union choice before bargaining begins. [LG, April and May '76]

From all this, I conclude that, after consulting the unions and reconfirming the right to strike, the government should go beyond Finkelman and the Parliamentary committee and ask Parliament to concur in a resolution that would establish in an explicit manner the principle of fair comparison with jointly selected counterparts in the outside sector, together with expanded consultative processes, as the basic bargaining principle the government, as employer, will follow. Reduced strike-proneness should ensue. It would be essential for Parliament to sanction this commitment because of the partial and ineffective manner in which

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THE BOSS



I'm filing a grievance — you tried to intimidate one of the members.



That's crazy — I didn't intimidate him . . .



I simply asked him how he would feed his family without a job!

CARTER MCKEAGUE

the comparability principle is now followed in the federal public service.

Fair comparison provides a linkage of the public sector with the economic constraints operating in the private sector — constraints that limit the gains to be won through adversary collective bargaining. Moreover, such a linkage would be perceived by the public as being socially just. The principle is that public employees should receive total compensation equal to their counterparts among good employers outside the public sector, no more, no less. If more, then public servants would in fact be taxing their counterparts through pressures on the public purse, which evidently is not limited as, for example, is the financial capacity of an industrial firm. Without the linkage provided by the fair comparison principle, there is good

reason to expect that the public sector would soon lead the private sector to ever higher pay levels, with adverse implications for the country's economy.

In this light, the failure of the recent Parliamentary joint committee dealing with collective bargaining in the federal public service to consider in depth and favourably the fair comparison principle demonstrates how far it fell short of present needs — how far it failed the public's interest in a system of collective bargaining in the public service better than the adversary system imported into it nine years ago from the private sector.

The numerous recommendations of Jacob Finkelman in his 1974 report on employer-employee relations in the public service, and the

Parliamentary committee's own related recommendations are relatively minor adjustments and improvements to a system coming to the end of its usefulness. The recommendations over-elaborate, over-legalize and over-regulate a system struggling to give birth to a better one with more simply defined limits. The enhanced powers, functions and opportunities for intervention proposed for the new Public Service Staff Relations Board tell the story. New and severe penalties proposed for infractions of the rules of the ultra-sophisticated process confirm its aging and how superficial has been the response to fundamental problems.

Martin O'Connell

Liberal Member of Parliament for Scarborough East

MNCs and the OECD: where labour stands

On the contents page of your November 1976 issue, the very first feature tells us baldly that "unionists welcome OECD guidelines," the reference being to the position of the Trade Union Advisory Committee (TUAC). Some elaboration is offered on page 571, but in my view your news brief on the subject is misleading as it does nothing to convey the very strong reservations that TUAC harbours about the guidelines on multinational enterprises. To say that TUAC will press for a "tightening up" of the guidelines,

when its goal is a body of binding regulations, is also misleading. My last observation on your news brief, and I have taken into consideration the fact that it is meant to be kept brief, is that the TUAC concerns for the future focus as much on pricing, taxation, and disclosure as on industrial relations.

This can be seen clearly in the TUAC communique which "welcomed" the guidelines. As the representative of the CLC, a member organization, I took part in the whole exercise of formulating and presenting TUAC's views, and contributed to the text of this communique. This being so, I was further surprised to see on

page 579, in the box entitled "Multinationals and the OECD," the observation that trade unions will not enjoy the "privilege" of giving views on implementation to an OECD committee. This conflicts with our understanding, as expressed in the TUAC communique and also conflicts with the fact that the OECD committee on International Investment and Multinational Enterprises (IME), and TUAC will be holding a Joint Review of the implementation so far on March 30, 1977.

H. John Harker

*Director,
International Affairs Department,
Canadian Labour Congress*

Books

Public Employment Labour Relations: an over- view of eleven nations

edited by **Charles M. Rehmus**,
University of Michigan/Wayne
State University, Ann Arbor, 1975.

The Rehmus book contains eight case studies regarding public employment relations in Canada, the United States, Japan, the United Kingdom, France, West Germany, Austria and Scandinavia. As such, the work provides a useful factual account of an increasingly significant field. In the eight case studies a number of common themes emerge.

In general, the '60s was a 'decade of the public employee revolution' (p.22). For many industrialized countries the public employment sector has been the most rapidly growing area of employment, Japan being a curious exception (p.57). Old modes of labour-management relations, as exemplified by the conflict-based zero-sum game and seemingly suitable for the private sector, have increasingly come into question. Trudeau's articulation of the need to formulate thoughts about a 'new society,' presumably a plus-sum game, were frank, if perhaps politically unrewarding. It is unfortunate that the outcry and criticisms were in many cases so ill-thought.

The Rehmus book attempts to dwell on contemporary problems of the public employment sector and its impact on society. One such theme is the increasing politicization of labour-manage-

ment conflict. Is the consequence to be that the public is sought by each party in labour-management conflicts as an ally in winning the conflict? Certainly Joe Davidson's and Bryce MacKasey's confrontations during the last Canadian postal strike are the most vivid example of such a development. The danger of increasingly overloading government with technical and economic details and politicizing conflicts such as the recent air controllers' strike suggest a possible overworking of the parliamentary system.

Another focus of interest for Canadians is the notion of corporatism and tripartite relations. France's experience with the latter is suggested by Verdier as a basis for continuous bargaining in the public sector.

Another related area of interest to Canadians is the degree of centralization of the trade union movement. Elvander suggests Sweden's labour peace is in part explained by the centralized control and responsibility of Swedish unions. Whether the Canadian Labour Congress sees such a model as worthy of emulation is as yet unclear.

Perhaps one of the most widely discussed issues is the nature of the post-industrial workforce. Such eminent figures as A. Tourraine, D. Bell, M. Harrington and J.K. Galbraith have written elsewhere on the subject. An aspect of this issue is the social composition of the public employment sector. What effect, if any, does such a high percentage of white-collar workers have?

Rehmus suggests that one consequence is that the lines of authority between supervisors and employees are less distinct than in the private sector. Utilizing A. Maslow's notion of a hierarchy of needs, one can question whether or not such numbers of professionals will seek to negotiate matters previously considered management's prerogative. Perhaps for this reason, such public service unions in Canada are more likely to seek the strike/conciliation route rather than the arbitration path, for the former encompasses more negotiable issues such as the quality of work and service provided to the public. Unanswered as yet is what effect there shall be on the diffusion of power by any negotiation of decision-making authority.

The right to unionization in the public sector of course does not require the right to strike. Increasingly then, what constitutes an essential service is being debated. In Ontario, teachers, first banned from striking, have been allowed in recent years to strike. The public's attitude to such a right seems varied.

A final question raised in the book, *Public Employment Labour Relations* is that of the impact of unionization in the public sector on the remainder of the labour force. Rehmus notes that "The coming of unionism to the public sector has provided enough new recruits to the labour movement to reverse the decline in trade union membership that took place during the late 1950s and early 1960s," in the U.S. (pp. 38-39). Given that the

private sector is only partially unionized, will white-collar unionization in the public sector have a spill-over effect on the private sector and infuse a new direction into the trade union movement? Will there be any effect on labour parties affiliated with central union bodies?

In conclusion, the collection of essays edited by Rehmus is

interesting, particularly the chapters on the United States, France and Japan. The book, as a whole, however, suffers from the absence of an overview chapter through which comparisons between the countries might have been amplified. Perhaps the field is too new for such levels of generalization. A related fault is the omission of any case study dealing with a developing country.

Such ethnocentrism seems curious in today's world. Despite these criticisms, the book is a welcome addition.

—Alan Whitehorn

Alan Whitehorn is a researcher with the Institute of Canadian Studies at Carleton University, Ottawa.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the title and author.

Collective bargaining — Health employees

Taft-Hartley amendments: implications for the health care field, report of a symposium sponsored by the American Hospital Association June 27-29, 1975 at the Harrison House, Lake Bluff, Illinois. Chicago, American Hospital Association, 1976. 130p.

Economic policy

Malles, Paul. The road to consensus policies: challenges and realities. Ottawa, Conference Board in Canada, 1976. 12p.

Economics

A model of output, employment,

wages and prices in the U.K., by I.F. Pearce and others. Cambridge, Cambridge University Press, 1976. 172p.

Equal pay for equal work

Ontario. Ministry of Labour. Research Library. Equal pay for work of equal value: a selected bibliography, compiled by Dianne Haist. Toronto, 1976. 15p.

Fringe benefits

Ontario. Ministry of Labour. Research Branch. Overtime compensation and meal allowances in Ontario collective agreements, August 1976. Toronto, 1976. 12p.

Ontario. Ministry of Labour. Research Branch. Selected provisions in Ontario collective bargaining agreements, September 1976: reporting, call-back and stand-by pay; Saturday and Sunday premiums; work clothing, safety equipment and tool allowances. Toronto, 1976. 14p.

Industrial health

Ouellet, Florian. La santé et la sécurité au travail pour une action sur les lieux du travail. Montréal, Institut de recherche appliquée sur le travail, 1975. 71p.

Industrial relations

Nash, Al. Labor management conflict and change in a hospital. Ithaca, 1976. p.44-63. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 395)

Rowan, Richard Lamar, comp. Readings in labor economics and labor relations. 3d. ed. Homewood, Ill., Irwin, 1976. 533p.

Industrial relations and government

Government and industry relationships; the Lubbock memorial lectures, 1974-5. Edited by David Lethbridge. Oxford, Pergamon Press, 1976. 194p.

Insurance, health

Ontario. Ministry of Labour.

Research Branch. O.H.I.P., major medical, prescription and dental plans in Ontario collective agreements, April 1976. Toronto, 1976. 15p.

Ontario. Ministry of Labour.

Research Branch. Sick leave plans and weekly sickness and accident indemnity insurance plans in Ontario collective agreements, March 1976. Toronto, 1976. 13p.

Labour-management cooperation

U.S. National Commission on Productivity and Work Quality.

Labor-management committees in the public sector: experiences of eight committees. Washington, 1975. 71p.

Labour organization

Adams, Roy J. The growth of white-collar unionism in Britain and Sweden: a comparative investigation. Madison, Industrial Relations Research Institute, University of Wisconsin, 1975. 63p.

Estey, Marten S. The unions, structure, development and management. 2d. ed. New York, Harcourt Brace Jovanovich, 1976. 130p.

France. Direction de la documentation. Le syndicalisme dans la fonction publique, par Yves Saint-Jours. Paris, 1975. 65p.

Kehoe, Kimball. Strategy in a labor union: a study of the UAW. Ann Arbor, Xerox University Microfilms, 1975. 359p.

Labour standards

Malles, Paul. Canadian labour standards in law, agreement and practice. Ottawa, Economic Council of Canada, 1976. 176p. Titre en français: Normes du travail au Canada dans les lois, les conventions et en pratique.

Unemployment

Smith, Arthur James Ralph.

Unemployment, some key issues in 1974-1976. Ottawa, Conference Board in Canada, 1975. 16p.

Vacations

Ontario. Ministry of Labour.

Research Branch. Paid vacations and paid holidays in Ontario collective agreements, July 1976. Toronto, 1976. 23p.

Wage policies - Government

Mogil, Norman. The anti-inflation guidelines: limiting wages to productivity. Montreal, C.D. Howe Research Institute, 1976. 27p.

Women

Nelson, Anne H. Working women in organized labor. Ithaca, 1975. p.8-15. (Cornell University. New Yhrk State School of Industrial and Labor Relations. Reprint series no. 385)

Ontario. Ministry of Labour.

Research Library. Women in management: a selected bibliography, 1970-1975, compiled by Dianne Haist. Toronto, 1976. 18p.

U.S. Congress. House. Select Committee on Aging. Subcommittee on Retirement Income and Employment. Income security for older women: path to equality: report....Ninety-fourth Congress, first session, December 1975. Washington, G.P.O., 1976. 34p.

Women and the workplace: the complications of occupational segregation, edited by Martha Blaxall and Barbara Reagan. Chicago, University of Chicago Press, 1976. 326p.

Provisions in Collective Agreements Covering Employees in Canadian Mining Industries, June 1976, contains information on provisions in collective agreements in the Canadian mining, quarrying and oil-well drilling industries at June 1976. Introductory tables provide information on the collective agreements according to size of bargaining unit and distribution by province. The remaining 84 tables present the numbers of agreements and employees, by industry, for 66 collective agreement provisions covering 77,175 employees in 206 bargaining units. The report is available, free on request from the Collective Bargaining Division, Labour Data Branch, Labour Canada, Ottawa, Ontario. K1A 0J2.

Other similar studies available free on request include ***Provisions in Major Collective Agreements Covering Employees in Certain Transportation, Communications, Trade, Utilities and Service Industries in Canada, 1975***; and ***Provisions in Major Collective Agreements Covering Employees in Canadian Manufacturing Industries, 1974***.

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, January

The Consumer Price Index for Canada (1971 = 100) advanced 0.9 per cent to 154.0 in January from 152.7 in December, and was 6.1 per cent above its level of January 1976. A sharp rise in the food index, 1.2 per cent, and higher charges for shelter and selected household operation items, contributed to the latest CPI increase. The index for all items, excluding food, rose by 0.7 per cent, mainly as a result of higher shelter charges and increased electricity rates in many urban centres. Price increases for new automobiles also contributed to this latest advance, as did higher movie admission charges.

The advance in the food index was mainly because of seasonally higher prices for fresh vegetables and increased prices for poultry, coffee, chocolate bars, soft drinks consumed at home, and restaurant meals. While the index for food consumed at home rose 1.4 per cent in the latest month, the level of this index was still 0.5 per cent below its level of a year ago.

While the price level of goods, including food, advanced 0.9 per cent in the latest month, that for services increased 0.8 per cent. Between January 1976 and January 1977, the price level of services increased 10.8 per cent while that for goods rose 3.5 per cent.

On a seasonally adjusted basis, the all items CPI advanced 0.9 per cent from December to January. This included a 1.4 per cent rise in

the food index and a 0.7 per cent increase in the index for all items excluding food.

City consumer, January

Consumer price indexes rose in all regional cities in January, with increases ranging from 0.1 in Saint John to 1.1 per cent in Calgary. Higher prices for food, new automobiles and widespread increases in electricity rates were mainly responsible for these advances. Other contributing factors included higher shelter charges and increased prices for movie admissions. The percentage increases listed in 14 regional cities in January were: 0.1 in Saint John; 0.3 in Halifax and Thunder Bay; 0.4 in Saskatoon; 0.6 in St. John's; 0.7 in Winnipeg, Regina and Vancouver; 0.8 in Edmonton; 0.9 in Quebec, Montreal, Ottawa and Toronto; 1.1 in Calgary. The percentage increases from January 1976 to January 1977 were: 4.8 in Thunder Bay; 5.2 in Halifax; 5.5 in Saint John; 5.6 in Toronto; 5.8 in Ottawa; 6.3 in Saskatoon; 6.4 in St. John's and Montreal; 6.6 in Winnipeg; 6.8 in Calgary; 6.9 in Edmonton; 7.0 in Quebec; 7.9 in Regina; 8.7 in Vancouver.

Employment, January

The seasonally adjusted employment level in January was 9,631,000, an increase of 79,000 from December, which was almost equally divided between men and women. It was the first increase for women since August 1976. The level for men and women 15 to 24

years of age, increased by 34,000 for men and by 35,000 for women.

On a provincial basis, seasonally adjusted employment increased in Ontario by 51,000; in Quebec by 39,000; and in Alberta by 17,000. It decreased in Nova Scotia by 6,000; in New Brunswick by 4,000; and in Newfoundland by 3,000. In British Columbia, Saskatchewan, Manitoba and Prince Edward Island there was little or no change.

Unemployment, January

The seasonally adjusted unemployment rate for January (780,000) was 7.5 per cent, the same as in December 1976. For men aged 15 to 24 the rate declined by 0.2 per cent to 13.8 per cent and for women in that age group by 0.5 per cent to 12.8 per cent. There was a slight increase in the unemployment rate for persons 25 years of age and over.

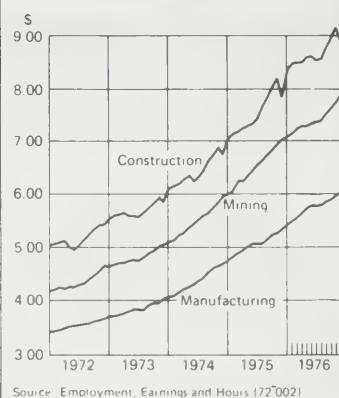
By province, the unemployment rate declined by 0.8 per cent to 9.0 per cent in Quebec; by 0.3 per cent to 6.2 per cent in Ontario; by 0.2 per cent to 13.6 per cent in Newfoundland, and by 0.1 per cent to 8.5 per cent in Prince Edward Island. The rate increased by 2.9 per cent to 13.2 per cent in New Brunswick; by 0.5 per cent to 3.9 per cent in Saskatchewan; by 0.3 per cent to 4.3 per cent in Alberta; by 0.2 per cent to 5.1 per cent in Manitoba; and by 0.1 per cent to 9.9 per cent in Nova Scotia. In British Columbia the rate was unchanged at 8.8 per cent.

Earnings, December

Average weekly earnings in Canadian industry were \$235.26 in December, an increase of 11.8 per cent from \$210.43 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$264.89; Alberta, \$243.15; Ontario, \$235.20; Quebec, \$230.81; Newfoundland, \$229.70; Saskatchewan, \$225.61; Manitoba, \$216.31; New Brunswick, \$212.61; Nova Scotia, \$199.41; and Prince Edward Island, \$181.47.

Average weekly earnings in December, by industry division, were: mining, \$332.57; construction, \$314.42; transportation, communication and other utilities, \$273.12; forestry, \$264.43; manufacturing, \$251.80; finance, insurance and real estate, \$219.54; trade, \$185.35; and service, \$167.45. Compared with December a year ago, average hourly earnings increased 13.3 per cent in manufacturing, 13.0 per cent in mining, and 9.3 per cent in construction.

Average Hourly Earnings in Canadian Industry



General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$2.75 effective March 1, 1976 \$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.60 \$2.85	March 1, 1976 March 1, 1977
	Students under 18 employed part-time: \$2.25 \$2.50	March 1, 1976 March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*				
Week ended December 11, 1976		(unadjusted figures, in thousands)		
Employed.....	December 1976	10,230	- 1.0	+ 3.0
Agriculture.....	" "	9,476	- 1.9	+ 2.7
Non-agriculture.....	" "	458	- 10.7	+ 9.0
Paid workers.....	" "	9,018	- 7.8	+ 2.4
At work 35 hours or more.....	" "	9,243	- 1.6	+ 12.2
At work less than 35 hours.....	" "	7,104	+ 114.4	- 2.7
Employed but not at work.....	" "	2,002	- 65.3	+ 27.4
		371	- 34.2	+ 6
(change in thousands)				
Unemployed.....	December 1976	754	+ 46	+ 61
Newfoundland.....	" "	24	- 1	—
Nova Scotia.....	" "	32	- 2	+ 6
Prince Edward Island.....	" "	4	—	—
New Brunswick.....	" "	30	+ 3	+ 3
Quebec.....	" "	253	+ 16	+ 37
Ontario.....	" "	247	+ 20	+ 1
Manitoba.....	" "	24	+ 4	—
Saskatchewan.....	" "	15	+ 2	—
Alberta.....	" "	33	+ 1	+ 5
British Columbia.....	" "	92	+ 4	+ 10
Without work, seeking work and available for work.....	" "	669	+ 27	+ 26
percentage change				
INDUSTRIAL EMPLOYMENT (1961 = 100) ^f	September 1976	146.1	- 0.8	+ 2.0
Manufacturing employment (1961 = 100) ^f	" "	129.3	- 1.4	+ 22
IMMIGRATION	First 9 months 1976	117,511	—	—
Destined to the labour force.....	" " "	48,590	—	—
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	November 1976	129	- 16.3	- 34.6
No. of workers involved.....	" "	51,260	- 94.3	- 44.1
Duration in man days.....	" "	491,380	- 70.2	- 66.0
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^f	September 1976	232.12	+ 0.7	+ 11.2
Average hourly earnings (mfg.) ^f	" "	5.87	+ 1.2	+ 14.0
Average weekly hours paid (mfg.) ^f	" "	38.9	+ 1.0	- 0.3
Consumer price index (1971 = 100)	December 1976	152.7	+ 0.5	+ 5.8
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^f	September 1976	151.4	+ 1.4	+ 7.2
Total labour income (millions of dollars) †	November 1976	9,039.2	- 1.6	+ 14.9
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100)	November 1976	119.0	+ 0.8	+ 2.6
Manufacturing.....	" "	118.3	+ 1.0	+ 2.4
Durables.....	" "	119.3	+ 2.8	+ 0.2
Non-durables.....	" "	117.4	- 0.7	+ 4.8
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	November 1976	20,754	—	+ 10
Completions.....	" "	18,145	—	- 5
Under construction.....	" "	167,228	—	+ 17

* Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

† Advance data

‡ Preliminary

* Centres of 10,000 population or more

^f Revised

STRIKES AND LOCKOUTS

The Gazette no longer carries a table on strikes and lockouts involving 100 or more workers. This information is available on request from the Labour Organizations and Labour Disputes Division, Labour Canada, Ottawa K1A 0J2.

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, NOVEMBER 1976

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,170	1,216	592,220	9,255,120	0.46
1975	977	1,054	482,180	10,894,190	0.53
1975 Month					
November	55	197	91,697	1,442,020	0.88
December	28	176	82,266	1,106,620	0.64
*1976					
January	35	154	54,756	813,660	0.47
February	53	156	150,369	573,770	0.35
March	83	157	172,608	432,270	0.23
April	75	153	303,957	669,470	0.38
May	96	168	265,912	653,010	0.38
June	125	233	187,524	1,131,820	0.59
July	69	183	78,020	1,271,320	0.68
August	78	193	89,791	942,950	0.50
September	54	175	136,027	1,738,990	0.97
October	49	155	904,953	1,646,500	0.92
November	39	129	51,260	491,380	0.26
January-November: 1976		875		10,365,140	0.52
January-November: 1975		1,036		9,702,260	0.51

* Preliminary

WORK STOPPAGES BY INDUSTRY, NOVEMBER 1976 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Nov.)
		Num-ber	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	0	0	0	35,440
Fishing	0	0	0	0	350
Mines	0	3	800	11,840	563,050
Manufacturing	19	68	33,164	298,330	4,213,050
Construction	2	8	440	3,680	2,100,380
Transp. & Utilities	4	14	10,577	110,030	602,460
Trade	2	13	635	13,240	145,330
Finance	1	3	70	1,460	12,460
Service	7	14	4,949	48,330	1,116,620
Public Admin.	4	6	625	4,470	78,300
Various industries	0	0	0	0	1,497,700
TOTAL	39	129	51,260	491,380	10,365,140

WORK STOPPAGES BY JURISDICTION, NOVEMBER 1976 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Nov.)
		Num-ber	Workers involved	Duration in man-days	
Nfld.	1	1	24	10	125,710
P.E.I.	0	1	110	2,420	28,230
N.S.	1	1	120	120	191,780
N.B.	0	1	63	950	241,540
Québec	15	60	27,707	325,570	5,372,230
Ontario	14	43	19,831	128,880	1,550,040
Manitoba.	1	2	153	3,250	94,860
Saskatchewan ..	1	2	1,150	2,680	133,390
Alberta	1	6	576	11,800	98,060
B.C.	4	6	435	1,480	1,466,040
Total, provinces ..	38	123	50,169	477,160	9,301,880
Federal					
Public Service(1)	0	0	0	0	3,400
Industries(2)	1	6	1,091	14,220	229,860
Federal total.	1	6	1,091	14,220	233,260
"Day of Protest" ..	0	0	0	0	830,000
TOTAL	39	129	51,260	491,380	10,365,140

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1973 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-1/1973.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada; a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's

participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31, 1967. (Changes in workmen's compensation laws are published yearly and are available free on request). (English or French). Price \$1.00. Cat. No. L34-1969.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue no. L34-23/1976

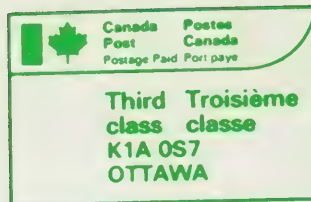
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 500 selected holdings of Technical Library. Accident Prevention Division, 1974. Free.

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**Labour
Canada**

**Travail
Canada**

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newstline

EMPLOYEE COMPENSATION

1976 settlements lower

Major employers and their unions negotiated much smaller average annual pay increases last year than during 1975.

Annual base-rate increases averaging 10.5 per cent were provided for in 599 major settlements last year — 6.6 per cent below the 1975 average of 17.1 per cent in 416 major settlements.

The Labour Canada data are based on an analysis of agreements covering 500 or more workers in industries — other than construction — in both federal and provincial jurisdictions.

Of the 599 settlements in 1976, 308 were for one year, with average annual increases in base rates of 11.8 per cent; 187 for two years, with average increases of 12.6 per cent in the first year and 8.0 in the second; 104 were three-year pacts, with increases of 14.6 per cent in the first year, 7.1 per cent in the second, and 5.2 per cent in the third.

Labour Canada also reported that 149 of the settlements provided for a COLA — cost of living allowance — clause. They provided for a 9.0 per cent average annual increase in base rates, excluding the effect of the COLA clause.

That compares with average annual increases of 11.5 per cent in the 450 settlements without a COLA clause.

Average annual increase in the 147 major settlements in the fourth quarter of 1976 was 8.3 per cent in compound terms — down from an average of 9.8 per cent in the third quarter. The fourth-quarter settlements comprised 71 one-year pacts with annual average increase of 9.7 per cent; 50 for two years with 10.2 per cent in the first year and 6.8 per cent in the second; 26 three-year agreements averaging increases of 9.7 per cent in the first year, 4.4 per cent in the second and 3.1 per cent in the third.

Of the third-quarter settlements, 39 included a COLA clause plus an average annual increase in base rates of 6.3 per cent. The average annual increase in base rates in the 108 without COLA clauses was 9.3 per cent.

The statistics take into account the effect of Anti-inflation Board rulings and subsequent ratification by the parties, where confirmed data were available.

Italian workers receive increases in form of bonds

Italy's higher paid workers are going to get part of their 1977-78 pay increases in the form of treasury bonds which may not be redeemed for five years. The move is seen as helping solve two

economic problems — wage inflation and lack of investment capital.

Under a decree approved in December 1976 by the Italian Parliament, employees earning more than \$7,200 a year will get a two-tier increase. For most, one-half the increase will be in cash and the other half in bonds, but for those earning \$9,800 or more the entire increase will be in bonds.

The decree applies only to automatically granted cost-of-living increases, which can be substantial because of Italy's current annual inflation rate of 17 per cent.

PENSIONS

Improvements to railway plans recommended

A one-man inquiry commission into railway pension plans recommends immediate improvements to the Canadian Pacific plan to bring it in line with the Canadian National plan.

Dr. Noel A. Hall specifically recommends: that retired CPR employees, including those who retired before 1973, should get the same pension increases as CN employees — about 2 per cent annually since 1970; that those increases should also apply to people receiving survivor pensions; that the provisions terminating survivor benefits upon the remarriage of an eligible widow or widower be removed; that the provision requiring marriage five years prior to the death of an employee or pensioner for eligibility for a survivor's pension be reduced to one year; and that the provision limiting eligibility to employees hired before age 40 be changed to read "hired before age 60."

For both railways, Dr. Hall also recommends the creation of a "Heritage Fund" to provide full adjustments to past increases in the cost of living to existing pensioners and their survivors, which, he said could come from a levy of 1 per cent of existing payrolls, shared equally by current employees and the railways.

He also proposes that the trusteeship of both CN and CP plans be removed from the railways and placed in the hands of an independent trust company.

Comparing railway pension plans with other plans in both private and public sectors, Dr. Hall concludes that the railway plans compare favourably with the best plans in a representative group he selected from the private sector. The most important difference from the nine public plans he studied was that five of them provide full indexing of current pensions.

However, he fell short of recommending full indexing of the railway plans, and in this he drew criticism from William McGregor, chairman of the Canadian Railway Labour Association, which represents 17 rail unions. "It is beyond our understanding how Dr. Hall can deny to railway pensioners the same indexing benefits already being received by federal government employees," McGregor commented.

Canadian Transport, official journal of the Canadian Brotherhood of Railway, Transport and General Workers, criticized the report for not making more specific recommendations, but leaving several major items, including indexing, to be handled through negotiations. Among the items Dr. Hall listed as matters for "established collective bargaining procedures" are provisions for relating railway pension plans to the Canada/Quebec

Pension plans — integration versus stacking — provisions for credit for wartime service, vesting provisions, basing pensions on the best years earnings rather than on a five-year average, early retirement without penalty at age 55 and 30 years' service, provisions for handling deficiency payments and the re-opening of the 1959 CNR plan, and 2 per cent for all years of service.

Dr. Hall was appointed July 9, 1974 to undertake the inquiry after long-standing expressions of dissatisfaction with the pension plans by unions and pensioners' groups. He held hearings in 15 centres at which briefs were submitted by unions, companies and active and retired railway employees.

EMPLOYMENT

Hidden unemployment

New light has been thrown on the question of the "hidden unemployed" — jobless people not included in the official unemployment statistics — by a study commissioned by the Economic Council of Canada. It suggests they may amount to about 1.5 per cent of the labour force — or more than 150,000 persons — when the "measured" unemployment rate is 7 per cent.

The study, based on 1972 data, was prepared for the Council by Frank T. Denton, Christine H. Feaver and A. Leslie Robb, now with the department of economics at McMaster University, Hamilton, Ont., and published under the title, *The Short-Run Dynamics of the Canadian Labour Market*.

The authors contend that current data on the labour market, including the monthly *Labour Force*

Survey published by Statistics Canada, provide "snapshot" statistics describing the state of the market at various "points" in time. But these figures do not reveal anything about the "flows" of people entering, leaving, or acting within the labour force over time, and hence "obscure important aspects of labour market activity."

For example, they found that gross flows of population in the labour market could be very large even when net flows were relatively small. During an average month in 1972 the net change in employment, ignoring external changes, was an increase of 2,000, but this was the net result of much larger gross flows: 365,000 persons found work, while 354,000 either became unemployed or left the labour force. And these flows would have been even greater if external factors such as immigration and emigration were included, and if account were taken of people moving directly from one job to another without spending an interim period outside the labour force or unemployed.

The authors propose a new economic model, based on flow behaviour, to analyze the short-term performance of the Canadian market. This, they contend would permit a greater understanding of other important aspects of labour market behaviour.

For example, when unemployment rises, the unemployed may become discouraged in their search for jobs, and withdraw from the labour market — the so-called "discouraged worker" phenomenon. This results in a certain amount of "hidden unemployment" as people outside the labour force choose to delay their entry until employment conditions improve.

The authors also found that

although men and women generally responded to unemployment changes in much the same way, "a major exception was that the probability of an unemployed person withdrawing from the labour force increased for men when the unemployment rate rose, but decreased for women."

From their analysis, the authors concluded that the proportion of people experiencing unemployment over the course of a year was much higher than the "conventional" annual average unemployment rates would suggest "and that this proportion rises rapidly as the unemployment rate rises" — particularly for men under 25. They said their analysis "led to the suggestion that there might be 'hidden' unemployment amounting to about 1.5 per cent of the labour force when the measured rate is 7 per cent."

The study's findings prompted the Council's observation "that it is no longer realistic to view the labour force as being composed primarily of workers who stay put in their jobs, with only a few changing jobs frequently or experiencing recurring long periods of unemployment. Accordingly, the Council recommended that Statistics Canada, with the co-operation of other departments and agencies, develop, publish and analyze additional information with respect to employment, unemployment, gross flows, and the wages and incomes of families and individuals."

Government pledges efforts to promote hiring the handicapped

Canada Manpower Centres are being modified to make them more accessible to people in wheelchairs.

Bud Cullen, minister of manpower and immigration, described the modification program at a seminar on employability of the handicapped, in Toronto.

He said a federal study of accessibility had found "shocking" results. As a result, 211 centres are being modified and another 77 relocated, as their leases expire, over a five-year period.

Cullen also reported on a study of employment barriers to handicapped people in the federal public service, conducted jointly by his department and the Public Service Commission.

The study found a need for special technical aids to overcome or minimize disabilities and for "testing and hiring techniques which give a true picture of an individual's ability." Several such proposals are being considered, and he said he hoped some could be implemented as rapidly as possible.

Dr. Bette Stephenson, Ontario's minister of labour, told the same seminar that her department is conducting research into its own staff's attitudes towards the handicapped and intends to develop a program to counter prejudice in hiring.

Occupational mobility in U.S.

About one-third of United States workers changed their occupation between 1965 and 1970, according to a study by the Bureau of Labor Statistics. The study also found more occupational mobility among younger workers than among older employees, and more among men than among women.

Dixie Sommers and Alan Eck, economists in the bureau's office of employment structure and

trends, based their findings on an analysis of 1970 census data. It showed that 32.2 per cent of people working in 1965 had transferred to a different "detailed occupation" in 1970.

They found also that "occupational transfers" were the most important source of separations and that "more than twice as many workers switched occupations as left the labour force entirely."

The greatest job stability was shown by lawyers, doctors and pharmacists, with under 10 per cent reporting job changes. Among the more mobile were bill collectors, computer operators, broadcast operators and garage and service station operators.

The study recommends more study of career change: "Occupational mobility is an important but relatively unexplored facet of job changes and of the supply and demand structure of occupations. Because the transfer of workers among occupations is a source of both job openings and new entrants to specific occupations, information on mobility is critical."

The results were published in the U.S. government's *Monthly Labor Review*, under the title, "Occupational mobility in the American labour force."

U.S. projections to 1990

The United States work force, which has been increasing at unprecedented rates since World War II, is expected to grow more slowly during the next 15 years, according to projections developed by the Bureau of Labor Statistics.

A 1.9-per-cent annual increase is anticipated for the latter half of the 1970s and a 1.1-per-cent annual

increase during the 1980s. They compare with an average rate of increase of 2.3 per cent during the first half of the 1970s. The civilian labor force is estimated to expand by 9.1 million in the latter half of the 1970s, reaching 101.7 million by 1980. By 1985 it is projected to reach 108.6 million, and 113.8 million by 1990.

Behind the slowdown in growth is a sharp drop in the 1960s' birth rate, which means fewer youths will be reaching working age during the next decade.

Participation of women in the labor force, which has been increasing rapidly for many years, is projected to continue to rise, although at a slower rate.

HEALTH AND SAFETY

Accidents rates related to management safety policy

Concern by senior management for worker safety can reduce employee accident rates, increase productivity and lower absenteeism, according to a British study.

The Health and Safety Executive, an agency sponsored by the British government, based its conclusions on a survey of 46 factories in which it found a high relationship between low accident rates and management's concern for employee safety.

It also concluded that the single most important factor in a successful safety program was the lead given by senior management in setting and enforcing strict safety policies.

The accident rate was highest in factories where the safety officer's

principal concern was "completing insurance claims, issuing protective clothing and checking to ensure compliance with legal requirements." It was lowest where the safety officer devoted time and energy to working with line managers and checking for work hazards.

Uniform standards on carcinogens

The United States Department of Labor is studying a comprehensive proposal for regulating cancer-causing chemicals in the work place.

The proposal, drafted by the department's Occupational Safety and Health Administration, would establish new, uniform standards for identifying and regulating all potential cancer-causing agents.

The uniform standards are intended to replace the slow, case-by-case regulatory methods followed until now. In its five-year history, the agency has completed individual regulations for only 17 of the 1,500 agents that have been identified as potentially carcinogenic.

The policy outlined in the draft intends to "devise a system for regulatory action which will assure a consistency of approach in regulating carcinogens."

JOB SATISFACTION

PS experiments with QWL

Senior officials are keeping a close watch on quality-of-worklife experiments — aimed at involving employees in workplace decision making — now underway in three federal government departments

(see p.173). Similar experiments in several European countries have increased productivity and reduced absenteeism, but the concept is relatively unknown in North America.

Participating in the 18-month pilot projects, launched in September 1976, are 24 key punch operators at Statistics Canada in Ottawa, 30 employees of the Secretary of State's translation bureau in Ottawa, and 140 employees at the audit division of Revenue Canada/Taxation's regional office in London, Ont.

Tom Dinan, a research officer for the Public Service Alliance of Canada, which is co-operating in the projects, describes them as "a way of gathering data to see what alternative ways of organizing work are possible in the public service."

"The projects involve joint decision-making," Dinan is quoted as saying in *Argus Journal*, a monthly PSAC publication. "It's the group rather than the supervisor that takes part in decision-making, while the managers get involved in long-range planning.

"In the past, attempts to improve the work stressed one particular aspect of the organization — such as job rotation, distribution, enrichment or enlargement — a piecemeal approach.

"The quality-of-worklife experiments are based on the realization that organizations are out of date and that they have to reflect changes in society. As a result the experiments are more comprehensive, involving numerous techniques and approaches."

Private consultants have been engaged to help conduct the projects. The experiments will be evaluated in 1978 and are under

the supervision of a steering committee with senior-level representation from the PSAC, the Professional Institute of the Public Service of Canada, Treasury Board, the Public Service Commission and the three departments whose employees are involved.

"Pleasant people" tops list

British typists, surveyed on what factors they consider important in choosing a job, ranked "working with pleasant people" at the top of the list. Next in order were pay and conditions, having a good supervisor, promotion prospects, keeping busy; "understanding the reason" for work, "having a say", high standards, small groups, and measuring work.

Nigel Bromage, principal of the Bank of England's Technical and Services Staff Division, surveyed 78 typists, ranging from trainees to experienced secretaries and supervisory staff.

He said the most important discovery of his survey, from a management point of view, was how misleading it can be "to attribute our own motivations to others." He observed: "Managers often make this mistake and my initial reaction to my results was one of surprise: I had assumed that typists and secretaries would have greater interest in their job than my results seemed to show; and I had not expected such emphasis on the job environment."

Instead of a desire for a say in the way work was organized, he found much acceptance of the status quo. "In many cases, particularly among junior girls, typists preferred to have work allocated to them and to be told what to do," he found. He found also that the factor of measuring work was always the least important and

there were often "very strong feelings" against the practice: "It was certainly not seen as a motivator and was widely thought of as unnecessary and even unfair."

Bromage, who reported his findings in the London periodical, *Industrial Society*, said they underline the importance of supervision: "It became apparent that there is still a lot of work to be done in this area. The girls particularly disliked too much emphasis on their juniority (late books, over-close supervision) and lack of concern for them as individuals.... Greater attention to training in social skills may be called for, concentrating even more than we do at present on the need for delegation and trust. There also needs to be rather more explaining about the reasons behind the work the girls are doing. Where this has been done the results are gratifying."

INDUSTRIAL RELATIONS

Labour board remedies

The rapid expansion of the functions of labour relations boards since the late 1960s is traced in a study published by the industrial relations centre at Queen's University — *The Expansion of Labour Board Remedies, a New Approach to Industrial Conflict*, by D.D. Carter, chairman of the Ontario board.

Until late in the last decade, the boards' principal involvement was in establishing industrial relations. They had, under most jurisdictions, the power to certify unions and some authority over the conduct of employers during organizing drives. But they had little "remedial" authority over such

areas as the conduct of bargaining, strikes or picketing.

Starting in B.C., however, and later in other jurisdictions, the boards' remedial authority has been gradually extended, largely through the extension of their power to issue orders and award damages.

The boards have gained broader powers to issue directives regarding strikes or lockouts and to deal with differences arising during a collective agreement — previously the private preserve of arbitrators.

As a result, the monthly *I.R. Research Reports* observes in summarizing the Queen's study: "Labour board remedies are now the primary remedies for resolving industrial relations disputes. Boards are concerned with fashioning a remedy that will improve the collective bargaining relationships, following an approach that places a heavy emphasis on accommodative techniques and avoids the punitive exercise of measuring the wrongfulness of conduct."

New instrument in Europe

The "social contract" is the new instrument in industrial relations in eight European countries — Austria, Belgium, Denmark, Finland, Britain, The Netherlands, Norway and Sweden. And an article in the U.S. government's *Monthly Labor Review* describes it as "the culmination of the trade unions' opposition to income policies concentrating primarily on wage controls, and their fight for broader political and social goals."

"The social contract merges these two issues into a single bargaining package, transforming wage agreements into a total labour agreement covering a wide spectrum of

public issues," writes Solomon Barkin, a professor of economics at the University of Massachusetts.

Barkin says the social contract typically consists of two sections "though not necessarily in one, or even in any specific document." The first is a comprehensive wage-and-income agreement between the trade union and the government "in which employers may or may not be a formal or active party." The second concerns public policy issues and action regarding prices, corporate dividends, housing, rents, industrial relations arrangements, industrial government, aids to industry, private and public investment policy, profits, social benefits and services, and taxes.

He says the introduction of this new form of bargaining and decision making was facilitated by "the ascension of labour and social democratic parties" to the control of governments in many European countries.

UNIONS

Certification sets precedent

The Ontario Labour Relations Board has certified the United Garment Workers to represent Indians employed by a private company on the Tyendinaga Reserve near Deseronto, Ont.

The precedent-setting decision came on the heels of a ruling by the provincial board that it had jurisdiction over Indians who live and work on reserves if they are employed by a private company. The company, Four B Manufacturing Ltd., had argued that the Indians came under federal jurisdiction.

Of the company's 68 employees, 58 are Indians. The company, owned by four Indian brothers, sews uppers for North Star jogger shoes, manufactured by Bata Ltd. The Department of Indian Affairs and Northern Development provided \$232,800 in loans and \$51,200 in grants to help the company get started. And the Canadian Executive Service Overseas helped the four founders organize their operation.

WOMEN

Problems of the poor

The poor, who most need help, frequently have a harder time finding it than do people who are better off, a Canadian Council on Social Development report observes. Entitled, *Women in Need: a Source Book*, the 92-page report finds low-income women are particularly handicapped in access to health services, legal assistance, employment, day care and housing.

"Legal provisions for equal pay without opportunities for work are meaningless," the report says. "Women who cannot find adequate day care for their children cannot take advantage of provisions for equal pay. Women who are not paid very much often have problems finding adequate housing or obtaining health care."

Reuben Baetz, the council's executive director, has said he hopes the report will not only help women in need know what their rights are but will also "generate among Canadians collectively, a greater sensitivity to the problems confronting this substantial and growing sector of our population, and through that concern help to bring about the necessary social and legislative changes."

Some of the report's observations: Poor people, who live in crowded housing with poor sanitation and lack of adequate heat and light, and who cannot afford to eat healthy food, get sick more often and die sooner than others in the population. They often use hospital out-patient clinics for their medical care and are frequently treated by medical students or residents. They frequently don't understand the 'expert' vocabulary of health and other officials. They frequently don't know their rights to social assistance programs. The number of one-parent families headed by women is growing, and most families headed by women are poor.

Baetz, in a foreword, also comments that the document "contains little indignation about the plight in which these women find themselves," but adds: "Nevertheless, any sensitive reader cannot help but be compelled to act by the profile of need and frustration which emerges from the factual information contained here."

Women face fewer deterrents to work

Child rearing is no longer the deterrent to working that it once was, according to an article in *World of Work Report*, published by the Work in America Institute Inc.

Women in every age group are working today, the report says, and 48 per cent of all U.S. women are in the labour force. "The greatest increases are among younger women in their twenties and early thirties, just the age range when women are most involved in child rearing," writes David Robison. "In fact, rather remarkably, among married women the most rapid

increase in employment is among those with young children."

Economic need is suggested as the strongest motivator for married women entering the work force. But the report also notes, among other factors, increases in the service industries, which traditionally have hired more women; changing attitudes towards marriage and the family; an increase in the proportion of women acquiring college educations; women's own changing expectations and self-esteem; and a growth in women's economic and social independence, due, in part, to a rising divorce rate and a lower rate of remarriage.

WORKING TIME

Austrian vacations generous

All employees in Austria are entitled to 24 days' annual paid vacation, starting this year, and those with 20 years' service will get at least 30 days. Under new regulations, holiday entitlement may be accrued over three years.

The change also provides for one week of paid sick leave per year to care for a sick member of the immediate family. It also abolishes distinction in the leave entitlements of blue- and white-collar employees.

Swedish fathers lukewarm to paternity leave

Sweden's legislation granting fathers the right to seven months' paid leave to take care of their

PEOPLE

Steelworkers elect Williams

Lynn Williams, 52, of Toronto has been elected secretary of the United Steelworkers of America, the first Canadian to hold an international executive post in the 1.4-million member union.

Williams was on the slate of candidates supported by retiring president I.W. Abel and headed by Lloyd McBride, 60, who defeated Edward Sadlowski, 38, in balloting to replace Abel.

Gerry Docquier, assistant to the director of Steel's district 5, covering Quebec and the Atlantic provinces, was chosen as the union's Canadian director, over Don Taylor, 46, assistant to retiring Canadian director William Mahoney. Taylor ran as an independent candidate. So did Gib Gilchrist, 54, area supervisor for



northern Ontario, who lost out in his bid to replace Williams as head of district 6 — Ontario. That post was won by Stew Cooke, a staff representative.


Jean Gerin-Lajoie was returned — by acclamation — for a fourth term as director of district 5, and Len Stevens, recently appointed head of Steel's new district 3, was re-elected to that post. The district covers B.C., the Prairie provinces and the Territories.

newborn children may have outpaced the social attitudes of the Swedish people, suggests *World of Work Report*.

The monthly periodical published in the U.S. points out that so far relatively few of the eligible fathers have taken advantage of the legislation — 2 per cent in 1974 and 7 per cent in 1975.

"Traditional sex-related child-rearing roles are still deep-rooted in Swedish society," *World of*

Work Report comments. "Many men, otherwise eligible for the program have found excuses not to participate or to keep their participation to a minimum."

Nevertheless, the periodical observes, Swedes are seeking an alternative to the existing system under which most children are reared during their early years almost exclusively by mothers or other females. It predicts that Swedish men will increasingly take a more active role in rearing their newborn children. 

A case for an employers' organization in Canada

by Roy J. Adams

One of the problematic features of Canadian industrial relations is the low degree of what may be called employer solidarity. Most western countries have a confederation of employers' organizations that acts as the national spokesman for private industry. In general, these organizations encompass a greater percentage of their potential members than do their trade union counterparts. Not so in Canada.

Our most visible employer organization is probably the Canadian Manufacturers' Association, but it speaks only for manufacturers. Important national organizations exist also in construction and in a few other industries. Small businesses have their own organization and a very dynamic leader in Toronto-based John Bullock, president of the Canadian Federation of Independent Business. In Quebec and British Columbia there are province-wide general federations, but there is no national confederation.

In recent years there has been substantial speculation about the establishment of tripartism as a permanent feature of our industrial relations system. Both the Canadian Labour Congress and the federal government have come out in favour of some form of regular national consultation on social and economic policy. But, we might ask, who is to speak for private industry? Because of the lack of any central organization, in recent meetings the government has drafted top officials from several prominent firms. Do these indivi-

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duals really speak for all, or a majority of the business community? The government apparently assumes that they do. But why? They were not elected by their peers. They made no systematic attempt to assess the mood and attitudes of the business community as a whole. In fact, they are responsible to no one other than their own organizations.

There appear to be several reasons that a unified national employer organization has not emerged in Canada. First, the philosophy of free-enterprise and its concomitant individualistic ethic is stronger in North America than it is in Europe. Other countries have not felt so compelled to break up attempts by employers to act in concert. Cartels and monopolies of all types have generally been more accepted. Instead of breaking them up, governments have opted to carefully control the potential abuses of joint action.

Second, the nature and character of the labour movement have been important factors. European unions decided to expand their organizing efforts to include both

skilled and unskilled workers. The mainstream of the labour movements in Europe also adopted radical ideology in their early years. They branded employers as hardened capitalists who were determined to sweat as much profit as possible from the excessive toil of the workers. Thus, the unions called for either revolution or evolution in which the end product would be a socialist or communist society where seekers after profit would be prohibited. Faced with highly political movements which questioned their very existence, European employers were driven to united action to protect their interests.

In North America, while radical movements have appeared from time to time, pure and simple business unionism has been the dominant philosophy of the union movement. Moreover, until the 1930s and 1940s, the labour movement was elitist. By and large, it did not seek to organize the mass of labouring people but instead limited itself to highly skilled craftsmen who found themselves profiting from economic growth and the bargaining power of their limited-entry organizations. In short, most North American unions did not question the right of employers to seek profits. They only wanted a large and growing share of the pie.

This situation might have changed with the great expansion of the union movement in the 1930s and 1940s. Because they normally have less economic clout and more political power, organizations of

Most western countries have a confederation of employers' organizations

unskilled workers tend to make more use of the political weapon than do unions of skilled workers. Presented with a serious political challenge, employers might have felt it necessary to respond with a united political response. However, the passage of the Wagner Act in the United States and its subsequent adoption with some modifications in Canada made this step unnecessary.

The legislation created procedures whereby unions could win government certification as the legal bargaining agents for specified groups. It required that employers negotiate with certified unions with a view towards signing written agreements. It also required that differences over the interpretation of collective agreements be submitted to binding arbitration. In total, these provisions provided unions catering to mass production employees with a degree of economic power far superior to that of similar unions in Europe.

Contrarily, the law also restricted the growth of the union movement by rendering trade unions impotent in situations where they were unable to convince a majority of those in an appropriate bargaining unit to join. This aspect of the law solidified the resolve of unorganized employers to continue to fight unionization individually and gave them reason not to act in concert with those who were required by law to deal with unions.

Finally, the labour relations boards which were created by the legislation interpreted the law in such a way that bargaining units were created for employees with a very narrowly defined community of interest. This interpretation reinforced the tendency to bargain on a plant by plant basis and hindered the association of unionized employers.

Too many people place the entire burden of solving all socio-economic problems on government

In Europe, governments have not, by and large, attempted to regulate the process of bargaining. Instead, in some cases bargaining structures emerged from the early labour-management struggles and became embedded as a result of custom and practice. Determined to keep the unions out of the workplace, employers instead recognized the legitimacy of labour organizations representing the interests of workers at the industry and national level but not in the plant. In other cases, the government passed laws requiring employers to negotiate with unions whenever they were requested to do so, regardless of the number of relevant employees the union had organized. Such laws made it necessary for employers to maintain a united front. The alternative was to bargain individually with an endless stream of worker organizations. Once industry-wide and national negotiations came into existence, they helped to cement the need for continuing employer organization.

In addition to these "industrial relations" factors, Roy McLaren in his recently published report entitled "How to Improve Business-Government Relations in Canada" notes additional characteristics that distinguish Canada from other western countries and make employer solidarity more difficult to achieve.

1. Foreign ownership of companies operating in Canada is extensive, and foreign-owned firms may have many interests which diverge from those of domestically-owned organizations.

2. Regionalism, multiculturalism and strong provincial governments are decentralizing factors acting against national unity of employers. The effects of these factors are enhanced by the separation of the national capital from the centres of trade and commerce.

For all of the reasons noted above, it may be understandable that no national employers' confederation has emerged in Canada. However, conditions in the 1970s require that serious consideration be given to exploring ways of overcoming these problems. We are plagued with inflation, industrial conflict, unemployment, regional disparities, and low productivity. In solving these problems the policies and actions of business and labour are critical. Too many people place the entire burden of solving all socio-economic problems on the government.

Employer solidarity in Europe has proven itself beneficial in several respects to both employers and the nation as a whole

There seems to be a widespread myth that government is all powerful. If this were true, it follows that all inadequacies of the social economy are due to the stupidity of government leadership and the bungling of bureaucrats. But this is a myopic view. We may have some poor leaders and many inefficient bureaucrats, but it is critical to realize that the power of government to solve national problems is limited by the countervailing power of the other primary actors in our industrial relations system. Either business or labour, if they were to exert themselves to the fullest, could probably undermine most unilateral actions taken by government. On the other hand,

many of our problems might be overcome more quickly and effectively if a national consensus were to be achieved.

Employer solidarity in Europe has proven itself to be beneficial in several respects to both employers and the nation as a whole. To improve industrial productivity, employer associations provide advice and guidance to members on such issues as industrial engineering, work layout, time and motion studies, occupational health and safety, labour law, wage and salary administration, job enrichment, job enlargement and many other aspects of management. In Canada, employers who can afford it generally depend upon consultants or internal specialists to provide such advice. But these experts usually do no more than deliver acquired knowledge, and many companies cannot afford them. The associations in Europe on the other hand, have often been in the forefront of developing new techniques and procedures and they have been able to distribute this new knowledge to their members quickly and efficiently. At the industry level, as noted above, Canada is not entirely without an associational structure but McLaren found that the quality of association staffs varied greatly. Few would seem to meet European standards.

Against stagflation and skill shortages, European associations engage in highly sophisticated economic research and forecasting in order to estimate what the economy may bear in terms of wage and price movements. With these data in hand they have developed guidelines to be used in collective bargaining, and proposals for government action. According to Ernst-Gerhard Erdmann of the German BDA, his confederation "has developed wage policy principles aimed at the consideration

of economic inter-relationships and at promoting price-neutral wage developments. In addition to other economic data the confederation considers the real growth of the gross national product as an important guidepost for the development of wages."

European associations engage in highly sophisticated economic research and forecasting

In Sweden, a team of trade-union and employer-association economists developed a model of the economy based on the assumption that wage policy should be consistent with full employment, rapid economic growth, reasonable price stability, more even income distribution and a balance of foreign payments. Their analysis (known as the EFO model) has already become a classic and is 'required reading' in economics courses in many countries, including Canada.

The shortage of skilled personnel in Canada is endemic and a 'Catch 22' syndrome characterizes the market for managerial manpower. Many small companies want to hire certain types of managers with five to 10 years experience but inexperienced candidates cannot find positions in which to acquire the specified background. Instead of complaining to government or whoever will listen, European management, via their associations, have placed high priority on vocational training and executive development. Effective programs for meeting these requirements have been put in place.

Many of our socio-economic problems result from a high level of labour-management animosity. As federal labour minister John Munro has emphasized in recent speeches, the legitimacy accorded to labour by management and the public in Canada is too low. This tends to make labour defensive and suspicious of any government



"AND FINALLY, HERE'S A GRAPH SHOWING THE TIME AND MONEY WE SPENT MAKING GRAPHS"

or management initiatives. The most recent example of this attitude was the recommendation by the group of businessmen who met with the government in September 1976 that non-union employees should be represented in national discussions by a spokesman other than the CLC.

...a 'Catch 22' syndrome characterizes the market for managerial manpower

European employers have realized the dysfunctional nature of this kind of attitude. They have recognized the national labour movement as the spokesman for working people in general, not because of their magnanimity but rather because it is in their best interests to do so. A strong and secure labour movement is likely to be a responsible labour movement more willing to reach agreement on ways of overcoming industrial and socio-economic problems. A primary advantage of national consultation is that it increases the probability that the government will not pass unacceptable legislation. According to Albert Verschuren of the Federation of Belgian Industries: "As often as possible the employers' spokesmen try to reach common conclusions with the union representatives, for the simple reason that such conclusions involve a much stronger pressure on government and public authorities."

Concerning France, Yves Delamotte says: "The State recognizes that employers' and workers' organizations, being directly affected

by certain legislation are well fitted to decide how it should operate and that when changes are desirable they can be introduced more readily if they are actively sought by the parties than if they are imposed from above."

Individual employers in Canada as well as the leaders of existing associations fear the formation of a national confederation because, as McLaren notes, "particular interests of certain industries might be lost in a merger (although not necessarily in a federation) or [because] a single new association would inevitably be dominated by its larger members." While these fears cannot be summarily dismissed we agree with McLaren that "this type of objection must be outweighed by the contribution that a well-financed federation, utilizing the professional research capacities of the various institutes, can make through the compilation of data, surveys, channeling of opinion to and from governments and co-ordinating the currently dispersed, inchoate and sometimes unsophisticated consultative and educational efforts of individual associations."

Recognizing the forces operating against employer solidarity in Canada, McLaren recommends that an immediate step should be the establishment of a Canadian Business Relations Council composed of businessmen, ministers and senior civil servants with a permanent staff. One of the responsibilities of this council would be to "encourage greater co-operation among business associations by arranging for joint

Individual employers in Canada...fear the formation of a national confederation

research and the provision of research done by governments, where appropriate. In time, this could encourage the formation of a federation of business associations, if co-operation results in a significant improvement in the expression of business advice to governments."

McLaren realizes that the creation of this council would not satisfy the need for labour-management co-operation. He therefore proposes the parallel establishment of a council for labour and goes on to say: "We imagine that if two such parallel councils were soon put in place (with some degree of common membership or at least an exchange of observers), it would be found that before long they would be working and meeting together on, for example, such a subject of prime common interest as productivity. Joint research, subcommittees on projects and joint meetings with government might soon become the usual practice."

Perhaps this intermediate step is necessary in the Canadian context. Past efforts by certain business leaders towards the creation of a national organization have not yet been successful. Whatever the scenario, it is to be hoped that the real advantages of employer unity both to employers and to the nation as a whole will become more widely appreciated in the not too distant future. [19]

Occupational health and safety: contradictions and the conventional wisdom

by Robert Sass

Occupational health and safety in Canada is underdeveloped, both as a field of normative endeavour and as a scientific discipline. As a field of normative endeavour, it has been less than successful in promoting and maintaining workers' health and safety, and as a scientific discipline it has not kept pace with the changing realities of work and the workplace.

The factors that hamper the development of the field can be classified under two categories — contradictions and conventional wisdom. Contradictions flowing from conflicting priorities within our political economy beset labour, management and government in their attempts to deal with occupational health and safety problems. Conventional wisdom — myths disguised as science — comprises much of our so-called "knowledge" in the field of occupational health and safety.

To explain the contradictions, it is desirable and, I believe, necessary to take an "industrial relations" perspective. Dangerous work is the biggest threat to workers' health and safety in the workplace, and the major forces shaping the nature of work are management, labour and government — the chief "actors" in industrial relations.

Management, representing business interests and ideology, is primarily responsible for ensuring the survival of industrial and commercial ventures. In our political economy, this means providing acceptable profit levels.

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Beyond a certain subsistence level, healthful and safe working conditions rarely contribute — at least in the short-run time frame within which most business decision making takes place — to industrial productivity and profits. In fact, making the workplace healthier and safer usually involves an increased investment in equipment and processes, a better preventive maintenance program, more shutdowns, a slowing down of the pace of work, and so on. The financial burden of such programs sometimes even threatens an industrial firm's competitive nature or its very existence. Management faces a contradiction between health and safety concerns and production and profit priorities. It is both a mathematical and practical impossibility for management to maximize both concerns simultaneously. When forced to choose, management will understandably opt for profits. Management priorities reflect contradictions in our political economy, not a lack of morality in management.

Management priorities reflect contradictions in our political economy, not a lack of morality in management

Workers are becoming more aware of health and safety problems in the workplace and are negotiating for improvements. But labour, like management, faces certain contradictions. The very fact that labour so often has to negotiate for these improvements introduces a major contradiction. The implication is that to gain these improvements workers must give up something else. In its negotiations, labour will employ its most skilled bargainers. These persons, however, may not be familiar with health hazards emanating from our technology, and their thought habits place greater priority on traditional goals like salary increases. Moreover, bargaining agreements are often highly centralized and local health and safety needs may be overlooked.

As with management, workers' survival depends on the "health" of the company. Workers may face the threat of plant closure or displacement by automated equipment if they press too hard for improved health and safety. And when plants close down, it is not easy for workers to go elsewhere. It is at great cost to their way of life to transform personal circumstances and skills or break social or geographical ties.

Conflicts between occupational health and safety and job security mean workers face a dilemma when trying to improve their well-being. Reluctant to trade off other benefits to achieve health and safety objectives, labour appears to rely on government for health and safety reform.

Lately, government in Canada and elsewhere has been playing a growing role in occupational health and safety. Related legislation has been or is being introduced in most provinces. But powerful interests exert pressure on government, preventing it from dealing effectively with occupational health and safety problems. Because capital is liquid, industry can threaten to leave the province or country. For example, occupational health and safety legislation in Canada and the United States has led to the development of an asbestos industry in Mexico, where no such standards exist. The pull-out of capital is a strong political threat, with implications of lower gross national product and higher unemployment. Like management and labour, government faces perplexing contradictions.

Reluctant to trade off other benefits to achieve health and safety objectives, labour appears to rely on government for health and safety reform

Perplexing as the contradictions may be, they represent only half the problem. The other — endemic to the professions of medicine, law, industrial engineering, industrial hygiene, psychology and economics as they are related to occupational health and safety — lies in the kind of knowledge on which occupational health and safety practices are based. The conventional wisdom that prevails in the health-and-safety-related branches of these professions contains many myths, accepted uncritically by many so-called "experts".

The professional person has, with good reason, considerable prestige in our society. He has devoted years of study to the mastery of

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Labour, like management faces certain contradictions

his discipline and has won the respect of his colleagues through his proven competence. When he offers an opinion in his field of expertise, it carries weight. But professionalism has a negative side that we overlook, at our peril. The mastery of a discipline requires learning to think in a certain way. This often means excluding other modes of thought that under certain circumstances may be just as valid. Even today, there is 'economic' selection of those entering learned professions, which results in a tendency towards unawareness of the problems of workers. Also, because the professional person wants his ideas to be accepted by his peers, he tends to be conservative in his thought patterns. Because he is used to laymen relying on him for expert opinions, he is sometimes reluctant to admit ignorance when on the borderline or even outside his field of competence. Occupational health and safety is a field where the uneducated but experienced factory worker may know more about a certain aspect of a problem than does a company doctor, a lawyer, or an industrial engineer.

The employment of professionals in industry depends ultimately on their contribution to the company's profits, and this can introduce conflicts of interest where costly health and safety improvements may be indicated. Even when not employed by industry, the "experts" tend to approach occupational health and safety problems from an economic perspective. They seldom question the nature of work or understand

...the "experts"...generally employ a curative approach toward occupational health and safety, not a preventive one

the interaction between the worker and the workplace. They generally employ a curative approach toward occupational health and safety, not a preventive one.

Our profit-oriented society acts on the presumption that a more efficient process or chemical represents 'progress'. Health and safety considerations are not a high priority, and the new chemical is

generally assumed safe until proven hazardous. Consequently, workers are the guinea pigs that prove the safety or danger of industrial processes and substances. Deliberate use of humans as experimental subjects being impractical, the result is that workers perform this function by default and without their consent.

A brief examination of the professions related to occupational health and safety reveals how each contributes to work hazards.

Industrial medicine is underdeveloped as a science. In Canada there are no certification procedures or advanced courses for doctors practicing occupational medicine. The "industrial physician" is merely a doctor who practices medicine in the factory. Traditional methods of the medical profession tend to result in the physician seeing the individual away from his work environment. Even the company doctor seldom goes onto the factory floor. Hence, the physician sees silicosis and asbestosis as problems of the lung, but seldom of hardrock and asbestos mining; hearing loss as a problem of the ear, but seldom of the pipe mill. Although doctors are largely unfamiliar with the nature of work and the workplace, we require them to make judgements that their training does not prepare them to make.

Traditional medical ethics set great store by confidentiality. In ordinary private practice it is clear that the purpose of this principle is the protection of the patient's privacy. But to whom does the doctor owe this protection when hired by a company to carry out medical examinations of employees? Sometimes the medical data obtained are turned over to the company without informing the workers of the results. In some companies, workers are denied

access to their own medical records.

One area of great concern to those interested in protecting workers' health and safety is establishing cause and effect relationships between diseases to which certain

...when it comes to workers' health and safety, the legal system often proves unwieldy and frustrating

occupations are subject and the substances worked with in these occupations. But many physicians avoid offering an opinion on the danger of a substance until they completely understand its etiological and pathological effects, ignoring the common-sense implication of a relationship between the use of a substance and common health problems among workers in occupations where the substance is part of the environment.

Our legal system is our society's institutional means of preserving justice, as far as is humanly possible. Unfortunately, when it comes to workers' health and safety, the legal system often proves unwieldy and frustrating. In the first place, lawyers' training in case law emphasizes the consequences of an injury and largely overlooks preventive measures. And the courts, too, depreciate the importance of prevention; they are lenient toward employers violating safety regulations when no injury has taken place. In a recent Saskatchewan case, an employer found guilty of violating health and safety regulations was fined on each count less than the cost of a speeding ticket.

Another frustrating element is the 'beyond reasonable doubt' proof standard. This is an unassailable principle in criminal law when we are thinking of the rights of the individual who may be wrongly accused. But what of the rights of the asbestos worker suffering from lung cancer? His rights are



" SOMEDAY, SON, ALL THIS...GOD HELP THEM,...
WILL BE YOURS "

neglected by a legal system that puts the burden of proof on him and accepts alternative explanations of the cause of his disease (e.g. smoking) as constituting sufficient 'reasonable doubt' to exonerate the employer.

Since few lawyers or judges have worked as labourers or factory workers, they cannot be expected to appreciate the nature of the workplace. In cases where occupational health and safety regulations are alleged to have been violated, the legal professionals would profit from an inspection of the workplace. But viewing the actual scene of the hazard is not considered a normal part of court proceedings.

Workers' compensation is often held up as a system of ensuring that the rights of the worker will be safeguarded in the event of an industrial injury. However, it is a system which perhaps benefits industry more than workers. Paying compensation assessment is often cheaper than introducing preventive measures, and workers covered by compensation have to forfeit their right to sue their employer. While compensation provides a varying degree of income maintenance during disability, it fails to compensate for human suffering; and it has clearly been insufficient as an 'incentive' for corrective action to remove work hazards.

The shortcomings of the present legal system have led some to support the introduction of an occupational health and safety tribunal, similar to the Labour Relations Board.

Industrial engineering has been largely shaped by the theories of Fredrick Taylor and Frank Gilbreth, introduced at the turn of the century. Although called 'scientific management', this approach was

Paying compensation assessment is often cheaper than introducing preventive measures

not one of objective investigation but the devising of methods of controlling the worker — including time and motion studies and the 'one best way' method. Production lines were set up and jobs 'deskilled'. Craftsmanship was largely eliminated and workers paid less as unskilled machine tenders. Production-line work, which increased worker fatigue, alienation, and inattentiveness due to monotony, plus an emphasis on speed-up of production were in conflict with safety.

Even today, the influence of Taylorism persists in the field of industrial engineering. In general, the training that industrial engineers receive is aimed at providing skills that will assist industry in meeting its production requirements. Because of this and because of their dependence upon industry for employment, their involvement in the introduction of occupational health and safety innovations is usually limited to those instances where such innovations will coincide with industrial production and profit priorities, or where they are legislated. Industrial engineers usually perceive the worker and the workplace as being distinctly separate and are therefore unable to understand the health and safety implications.

The role of the hygienist has largely been defined by the perceptions of the medical profession and by the needs of the industries that employ hygienists. The latter are generally hired to monitor and control substances in a manner that minimizes the cost of compli-

ance with existing legislation, and to solve occupational health problems, not to prevent them. Much of their training is geared to solving technical problems (e.g., putting heat shields around motors) and not directly toward preserving the health and safety of workers. They have become an integral part of the administrative problem-solving team and their role has placed the success of the business ahead of protection of workers' health and safety when the two come into conflict.

A large part of the hygienist's role today centres around the establishment of Threshold Limit Values (TLVs) and Maximum Allowable Concentrations (MACs). The assumption behind TLVs is that a substance entering the body or coming in contact with it will be injurious at some level of exposure and tolerated without effect (for the great majority of the population) at some lower level. But

The whole question of the use of TLVs is a perplexing one for the industrial hygienist

cumulative effects for most substances are not yet known, nor are effects of interaction with other substances. The number of possible combinations defies analysis, and studies are generally not done unless there is reason to suspect a certain combination is particularly harmful.

The whole question of the use of TLVs is a perplexing one for the industrial hygienist. He may be asked to provide workers with a simple set of standards so that they can do basic monitoring in the workplace. But he knows non-professionals tend to see the TLVs as 'scientific absolutes' and may derive from them a false sense of



They rely on government for health and safety reform

security. The conscientious industrial hygienist knows TLVs are only rough guidelines, but when he goes into more detailed discussions with either management or workers he may find he loses their attention and defeats his purpose.

In introducing TLVs and MACs governments may feel they must concern themselves not only with health and safety factors but also with possible effects on the economy. It takes time to get levels accepted by the profession and by government agencies. In *Work is Dangerous to Your Health* by Stellman and Daum, the statement is made that "about 3,000 new chemicals are introduced into industry every year; yet standards are being developed for only about 100 new chemicals per year." The *Standard Reference Manual* of the American Conference of Governmental Industrial Hygienists estimated that in 1970, 6,000 to 12,000 toxic industrial chemicals

were in common use; yet it listed standards for only 410 of them.

Industrial psychologists and psychiatrists have attempted to identify psychological characteristics which make the individual 'prone' to accidents. Some psychoanalysts contend that accidents result from an individual's sub-conscious desire to punish himself. Other psychologists explain accident causation in terms of worker attitudes. Both approaches ignore industrial reality and have merely provided pseudo-scientific arguments — such as 'accident proneness' or employee 'carelessness' — for blaming the victims of industrial accidents. Although investigation into this area began in the early 1900s, 'accident proneness' has yet to be proven to exist. The best study in this field, by Crystal Eastman, suggests that many accidents attributed to the worker were really due to efforts to compensate for equipment deficiencies.


...classical economic theory is largely incompatible with health and safety

Based on the assumption that profit maximization is the ultimate value, classical economic theory is largely incompatible with health and safety. But today our society is gradually recognizing that growth in gross national product is not necessarily an indication of increases in the level of social well-being. It is being realized that viewing labour as a 'factor of production' dehumanizes the worker and artificially separates economic activities from other concerns.

Some contemporary economists

are taking a broader view than that of classical economics. For example, 'welfare economists' tell us that many industries impose damages or costs on society that they do not pay for. Instead, the victims and society absorb these costs — through loss of income, medical expenses, and social assistance — thereby subsidizing these industries.

But no 'social-cost' approach of economists can hope to work, because the ill effects of a given industry simply cannot be assessed. The issues are ethical, not economic in nature. What costs can be assigned to loss of life, shortened life span, disablement, or psychological trauma?

Work and the workplace not only produce commodities but human behaviour as well. Consequently, occupational health and safety must address itself to developing and understanding the nature of the interaction between the technical and the behavioural aspects of work. Too often each of these factors is looked at in isolation, as being separate and discrete. Clearly, with work and the workplace being a fundamental hub around which human activities and behaviour revolve and evolve (i.e., work viewed as being at the centre), the concept of the "social in the technical" becomes of paramount concern. This concept forms the empirical basis of the argument for increased worker participation in health and safety matters in the workplace. It indicates not only a need for an understanding of socio-technical interaction, but the need to apply such understanding in a manner that will enable workers to act, react, and interact in a manner consistent with their own health and safety. Worker involvement appears to be the key. 

The concept and application of employee participation in Canada

by Donald V. Nightingale

In the remarkably short postwar period of 30 years, industrial democracy has emerged as a significant social and political issue in many industrialized countries, and has been offered as the cure for a variety of social and industrial ills. In the Federal Republic of Germany, for example, co-determination was originally proposed by the Allies as a means of preventing the formation of concentrations of power in the hands of politically motivated industrialists. In Scandinavia, industrial democracy is a key element in the long-term spread of democratic ideology throughout society. In Britain, many argue that worker representatives on boards of directors would offer fresh perspectives on problems of lagging productivity and troubled labour-management relationships. In Yugoslavia, workers' councils were proposed as a means of guaranteeing public ownership of the means of production while avoiding a centralized Soviet-style planning bureaucracy. In Canada, worker participation is proposed as a means of reducing worker alienation and of moving toward more collaborative labour-management relations.

Industrial democracy has become the universal panacea for a variety of ills, and as experimentation with democratic forms of organization accelerates around the world, Canadians should examine the concept and carefully consider its promise and applicability in the Canadian context.

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Conventional organizational forms are under challenge today in most Western industrial countries because they have not kept pace with changes in the larger society. Two changes that have particular relevance to the discussion of industrial democracy are the decline of traditional views of authority and the rise in levels of expectations and beliefs of 'entitlement'.

The break with traditional patterns of authority proceeded slowly during the first half of this century, but has accelerated in recent years with the decline in the influence of the church and with the advent of democratic teaching methods in the schools. Organizations in our society have always profited from the training and socialization of church and school. People were taught that questioning authority was morally wrong, that change could not be pursued other than through established channels and that it was one's duty to obey

Much of the confusion and apprehension over the concept of industrial democracy arises from the absence of a precise and commonly accepted definition

superiors. These precepts were of an absolute, transcendental nature and legitimized organizational norms of obedience and conformity.

Conventional forms of organization are increasingly in jeopardy as fewer and fewer of their members are socialized in the traditional way. The contemporary workplace, which values obedience and subordination, is in marked contradiction to our emerging social values, which celebrate individual expression, freedom and initiative.

The rise in the levels of employee expectations has been the subject of much commentary. The prosperity of the postwar period has created — particularly among young employees — a belief that they are entitled to a meaningful job, a rising standard of living, and, as a matter of social right, a voice in decisions that affect their work lives.

In light of these changes, the weaknesses of the system cannot be rectified by human-relations training, improvement of interpersonal relations at the workplace or by any other 'fine tuning adjustment' that does not change the nature of work itself and that does not give employees the sense that they are valued partners of and contributors to the enterprise.

Much of the confusion and apprehension over the concept of industrial democracy arises from the

absence of a precise and commonly accepted definition. In the most general terms, industrial democracy refers to a formal, de jure structure through which employees participate (directly or indirectly) in matters that materially affect them at the workplace and through which management is accountable to employees (as well as to shareholders).

The term *industrial democracy* can be clarified by examining three sub-dimensions of the concept of *participation in decision making*:

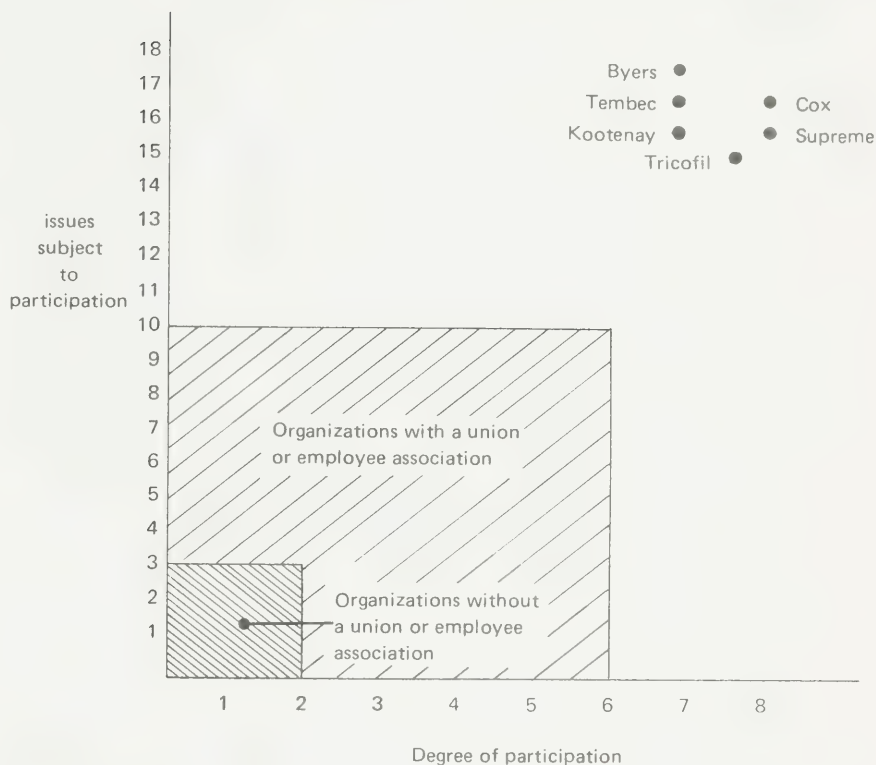
- the degree of participation permitted employees;
- the issues subject to participation; and
- the membership given the right to participate.

The varying degrees of participation are illustrated by the following scale (the further one proceeds to point 8 on the scale, the greater the degree of participation):

1. employees need not be informed about decisions made by management (except as necessary to conduct their work);
2. employees have the right to be informed after decisions are made;
3. employees must be informed ex ante and given an opportunity to voice their views;
4. employees are consulted informally before a decision is made;
5. employees must be consulted before a decision is made;
6. employees participate informally with management in decision making; management (through 'residual rights') and employees (through the collective agreement) retain the right of veto over some issues;
7. management and employees jointly make decisions — in some cases employee representatives have parity with stockholder and management interests; in others, shareholder and management interests dominate;
8. employees have the final say in all decision making.

Figure 1

Some Canadian examples of industrial democracy compared to unionized and non-unionized organizations



Any organization can be represented as a point on the above figure. The more democratic the organization, the more toward the upper right hand corner of the figure will it fall.

products and profit allocation, or it may be limited to the administration of plant welfare programs, or to specific decisions on the shop floor about work assignments or work methods. The following list defines the scope of issues covered by formal participative structures:

"shop floor issues"

- 1) determination of holidays,
- 2) hours of work,

- 3) physical working conditions,
- 4) safety regulations and procedures,
- 5) work methods,
- 6) work standards and pace,
- 7) assignment and transfer of employees to tasks,
- 8) recruitment, selection and training of new employees,
- 9) salary grades,
- 10) job classifications of employees,
- 11) appointments of supervisors,
- 12) dismissal of employees,
- 13) promotion of executives,
- 14) determination of employee wage and fringe benefits.

policy issues

- 15) layoffs, job security,
- 16) choice of products, pricing, markets,
- 17) capital investment,
- 18) disposition of profits,
- 19) raising capital,
- 20) re-organizations, mergers, acquisitions.

Participation in organizational decision making may be limited to senior management (as is the current practice), may include middle managers (as with 'multiple management' programs) or may include employees from all hierarchical ranks.

All organization members can participate directly, or they may

participate indirectly through elected representatives. Direct participation is cumbersome when employees are numbered in the hundreds or thousands, and when issues are being decided that require training or prior preparation. Some organizations combine the two — direct participation in the smaller units and participation through representatives in the larger system.

Industrial democracy can now be defined more precisely in terms of the three sub-dimensions of participation. Industrial democracy is a form of participation in organizational decision making in which the degree of participation is (7) or (8); in which policy issues (15 and beyond) are subject to participation; and in which all employees, regardless of hierarchical level, participate in decision making.

There are only a few Canadian examples of employee participation in decision making that meet the criteria on all three sub-dimensions. Figure 1 arrays a number of Canadian firms on the dimensions of issues and degree of participation. All employees in these firms are given the right to participate — either directly or indirectly (through representatives).

Tembec Forest Products Limited is a bleach sulphite mill in Temiscaming, Quebec, employing about 560 employees. The mill was closed by its former owner, Canadian International Paper, because of falling productivity and poor prospects for long-term profitability. After 15 months of negotiations between CIP, employees and citizens groups (during which the mill was shut down and left unattended and exposed to the elements), the mill was purchased in August 1973 by four executives with experience in the industry, Local 233 of the Canadian Paper-

workers' Union, a group of Temiscaming citizens, the Quebec provincial government and a small group of private investors.

The nine-member board of directors comprises the four founding executives, the president of the Canadian Paperworkers' Union and the president of Local 233, two representatives of the Quebec government and one representative of the private investors.

Important organizational decisions are not made at the board level

Initially, Quebec law would not permit a union member to vote on the board of directors of companies incorporated in the province, but in response to the Tembec program, the law has been changed, and the two union officials are now full voting members of the Tembec board.

Under CIP management, an average of 16 written grievances were filed per day; under the current arrangement, there are fewer than two per month. Tembec Forest Products is now making money and is doing well in a highly competitive industry.

Share ownership, profit sharing, employee representation on the board, and continuous bargaining, all play a role in creating a collaborative relationship between labour and management. [See also p.168].

Byers Transport is an employee-owned trucking company in Edmonton employing 125 persons. The firm, which had been losing money as a division of Pacific Western Airlines, was sold by the Alberta government in 1975 to a group of managers and rank-and-file employees.

Stock in the firm can be purchased only by employees, those leaving the firm must sell their stock, and no more than 15 per cent of the company's stock can be purchased by any single employee. Stock value is based on a formula that considers asset value and company performance on a month-to-month basis.

The nine-member board of directors consists of two non-company directors, three directors from senior management ranks, one director each from middle and junior management groups, and two directors from the rank-and-file.

Management negotiates wages with its dockworkers and drivers who are members of the Teamsters Union. There are no other participative bodies in the company, such as the works councils in the following example (Supreme Aluminum), but the company may well embark in this direction in the future.

Since the inception of this program, productivity has increased by 50 per cent and turnover has been reduced by 30 per cent. [See also p.170].

Supreme Aluminum Industries, which employs 300 persons, is a Toronto-based manufacturer of aluminum cookware, ladders and hydraulic equipment. A works council made up of 18 elected employee representatives deals with matters of policy as well as day-to-day shop-floor matters. The purpose of the works council is "to ensure fair treatment and to create and maintain an atmosphere of trust among all levels of employees where through co-operation, respect and understanding, enthusiastic participation will be achieved" (from the works council by-laws).

Industrial democracy is not incompatible with trade unionism

The works council consists of six management representatives (from senior, middle and first-line supervisory levels) and 12 elected employee representatives, drawn from all areas of the plant. The works council meets at least every three months and has among its responsibilities, the determination of hours of work, vacations, job classifications and rates, working conditions, methods of production, operating speeds, grievance outcomes, layoffs, salary schedules, fringe benefits and annual salary increases.

The responsibilities of the works council have been broadened since its inception in 1970. As the employee representatives gain experience on the council, and as the philosophy of collaboration and sharing is more clearly understood by employees, the responsibilities of the council will continue to expand. Supreme Aluminum, once ranked fourth nationally in sales, is now the largest firm of its kind in Canada.

The Group at Cox is a dental equipment manufacturer in Stoney Creek, Ontario, employing 55 persons. Because of its size, this firm permits a good deal of direct participation by all employees as well as some indirect participation on a works council. The participation program of The Group at Cox can best be described by the following passage from *The Basic Credo of the Group at Cox*. "An individual has the right to:

- 1) participate in setting goals;
- 2) participate with co-workers (a community) in setting standards;

- 3) join a team, whose output is a meaningful part of services, and set productivity targets;
- 4) be in charge of some meaningful work (direct work) separate from daily direct work;
- 5) participate in the creation, or change, of Cox policy (unanimous consent required);
- 6) elect a representative who will work to ensure that policy interpretation remains in the spirit of the credo;
- 7) appeal to the elected representatives to uphold its rights;
- 8) be present whenever discussed and have access to panel meetings whose decisions directly affect him/her;
- 9) elect a separate representative to co-ordinate social activities (company stays out of private lives);
- 10) create and maintain health, safety, and personal growth at work;
- 11) share equally with other members in profits; and
- 12) be treated as equal to other members, with the exception of salary which is set by a participatory process."

Town hall meetings are held at least once a year and unanimous agreement on all issues is required before action is taken. Representatives (who are elected every six months from groups of roughly eight employees) meet monthly to discuss personnel policy, salaries, grievances, appeals, and so on. Again consensus among employees affected by a decision is essential. The company is expanding vigorously and has made promising inroads in

a market dominated by several large American firms.

To many observers, employee representatives on boards of directors appear to work well in Europe and this form of industrial democracy has been suggested as an appropriate model for Canada. Indeed, Tembec Forest Products, Byers Transport and Kootenay Forest Products all have employee representatives on their boards of directors, and all three are profitable, and models of effective and collaborative union-management relations.

However, there are some compelling reasons for approaching European style co-determination with caution. Firstly, if adverse employee reactions to the workplace arise from the absence of opportunities for self-expression, recognition and fulfilment, which come from a meaningful role in the organization, then any strategy that ignores the rank-and-file employee cannot work. Worker representatives on the board of directors do not alter the work experience of the average employee, and consequently do not eliminate his or her feelings of alienation and powerlessness.

The role of employee representatives on the board of directors is also a difficult one — especially for trade unionists. The role of representing employee interests in contract negotiations and at the same time having access to company data on costs, profits and competitive position is extraordinarily difficult to manage.

Finally, important organizational decisions are not made at the board level, and members of the board are rarely given the information essential to evaluate critically management's performance.

Industrial democracy is not incom-

Employee participation programs should directly alter the work lives of employees

patible with trade unionism. Both are premised on the belief that there are several legitimate and conflicting interest groups that must be heard and reconciled. Both trade unionism and industrial democracy seek to improve the welfare of the employee, establish equitable standards for layoffs and promotions, provide juridical mechanisms for grievances, and eliminate the subjective treatment of employees.

Under collective bargaining, however, recognition of substantial mutuality of interests, respect for the other and joint responsibility for organizational success are often missing. Changes in the workplace are not initiated and directed by questions such as "What is the most cost effective and mutually satisfactory way of doing the work?", but rather in terms of statements such as "This

is our prerogative under the collective agreement" or "This issue falls under 'residual rights'." Confrontation should not be the only process by which diverse and legitimate interests of different constituencies in an organization are accounted for and reconciled.

At this point in time, industrial democracy has little support among trade unionists and business leaders. Both groups are understandably reluctant to embrace a concept that would alter substantially the relationship between employer and employee and require the learning of new skills and approaches to labour-management problems.

The failure to examine critically and dispassionately Canadian innovations in industrial democracy is unfortunate. Increasingly, the discussion of industrial democracy in this country is taking the form of a debate between the doctrinaire followers of two schools of thought. One argues that the current system has worked well in the past and cannot

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Fewer than two grievances per month

be tampered with, and the other argues that disaster is imminent and radical changes in the form of industrial democracy (or public ownership of means of production, or government intervention) are essential.

Although employee participation in decision making and employee participation in the economic success of the enterprise are different concepts, they are nevertheless based on collaboration and the recognition of substantial commonality of interest between labour and management. (Tembec Forest Products, Supreme Aluminum Industries and The Group at Cox each have profit-sharing programs and Byers Transport has employee shareholders.)

Although participation in profits and participation in decision making do not necessarily go together — many enterprises permit profit sharing, but do not allow participation in decision making, and vice versa — the collaborative atmosphere and mutuality of interests created by profit sharing can stimulate greater employee participation in areas of decision making.

Although the academic and popular presses have offered seductive and compelling arguments in favour of the widespread adoption of industrial democracy in Canada, there are sound reasons for approaching this issue with caution. Future experimentation with industrial democracy should be guided by four criteria:

1. Employee participation programs should be designed for local conditions, and should not be intended to be applicable to all organizations. Universal 'blue-prints' are inconsistent with the

diverse industrial relations jurisdictions of the 10 provinces, and with cultural, linguistic and geographic differences in Canada. Each organization should be encouraged to implement systems according to the economic and technical requirements of the business, the skills and training of its personnel, as well as the size and autonomy of the firm.

In Canada, worker participation is proposed as a means of reducing worker alienation and of moving toward more collaborative labour-management relations

The trend toward centralized planning and decision making—whereby decisions materially affecting employees are made by persons psychologically and geographically remote from the workplace—can be counterbalanced by industrial democracy programs that permit those who do the work to have a say in how it is conducted.

2. European programs of industrial democracy should not be transplanted holus bolus into the Canadian context. In this country, we must be sensitive to the possibility of flight of foreign and domestic capital if sweeping changes were made in corporation law to permit greater employee participation on boards of directors. Management continues to be responsible to shareholders, and the latter's interests must be protected as new forms of employee participation are sought.

3. Employee participation programs should directly alter the work lives of employees and

should engage employees as partners in the process of change. A large number of Canadian firms have undertaken 'quality-of-work-life' (QWL) experiments that make changes at the shop-floor level and that give employees, through job enrichment, and 'autonomous work groups', a greater voice in managing their work lives. In fact, in the longer term, we may find that innovative programs in power sharing will percolate upwards through the organizational hierarchy.

Labour Canada and the Ontario Ministry of Labour are in the process of initiating QWL programs, which will act as resource centres for managers and trade unionists who need assistance in implementing QWL innovations.

4. Experimentation should be open-ended, with opportunities for learning and discovery without an a priori image of the end result.

There are a number of resourceful and significant experiments in power sharing underway in Canada, and these experiments illustrate that greater employee participation in ownership and decision making at the plant level is possible in this country without any alteration of political and economic arrangements and without jeopardizing organizational effectiveness.

Greater employee participation in decision making, in one form or another, is inevitable in Canada. It is to be hoped that experimentation with power sharing at the plant level will continue and will serve to guide those labour and business leaders who wish to promote the ideals of human dignity, and personal freedom and responsibility at the workplace. [9]

Where participative management works

by John Doig

He's a pipe fitter by trade, and a veteran trade unionist. He's had many battles with management in his time and he has a reputation for being tough. Nowadays he divides his working days between the union office and the boardroom, where he sits at the directors' table with his old foes, the bosses. He gets into battles there, too, and he's won some big ones.

A worker-director in Germany? In Sweden? No, he's Charlie Carpenter, the workers' man on the board of Tembec Forest Products Inc., in Temiscaming, Quebec. The pulp and paper mill was shut down by its former owners, Canadian International Paper, a few years ago. It was resurrected under ownership shared by the workers, four former managers, the Quebec government, and the local community [see also p.164]. For an enterprise recently doomed to extinction, Tembec has achieved remarkable early success.

Its future is by no means assured in the volatile pulp and paper business, but, more importantly, it is one of a growing number of companies in Canada that are experimenting with various forms of industrial democracy. The story of Tembec, and of Charlie Carpenter, and the others, has unfolded enough to demonstrate that industrial democracy can, and does, work in Canada.

Despite the protestations of leaders in business, unions, and the universities, the evidence is convincing. It is time for those carrying on the debate over indus-

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trial democracy to put aside the absurd notion that our society is so delicately different that it can't cope with mechanisms that have proved valuable in such politically and economically diverse settings as Yugoslavia and Britain, Sweden and Spain, Germany and Peru, to name but a few.

It's time for the debate to move from the question of whether industrial democracy should be fostered in this country to that of how it should be done. It should be abundantly clear by now that bold innovations are needed to improve industrial relations. Canada's record of strikes and lockouts has been about the worst in the world for the past several years. Productivity continues to decline. Now, with increasing strains in Confederation — and a huge foreign debt at a time when investor confidence is falling — the need for co-operation in the workplace is greater than ever.

The alternatives would seem to be obvious. Either the situation worsens or government is called upon to intervene — more directly and more frequently. Judging by the response of both business and

...the workers now own 40 per cent of Tembec's stock

labour to wage and price controls, the latter option is at best a short-term solution.

Yet if we continue to rely on the present system of collective bargaining, with all its obvious weaknesses and failings, government will find it harder and harder to stay on the sidelines. This is *not* to say there should be an attempt to replace the collective bargaining system, a mischievous and misleading charge frequently levelled against advocates of greater worker involvement by those resisting change.

The Canadian proponents of industrial democracy — notably the federal deputy minister of labour, Tom Eberlee, and his Ontario counterpart, Tim Armstrong — have been at pains to make this point clear. Their oft-repeated aim is not to destroy collective bargaining, but to strengthen and enrich it. Their definition of industrial democracy (and mine) is deliberately loose. It implies a meaningful extension of opportunity to workers to share in decision-making, and/or ownership, in the workplace.

Advocates such as Eberlee and Armstrong are *not* — despite the claims of the cynics to the contrary — suggesting that Canada should simply attempt to transplant German co-determination or Swedish co-operation or Yugoslavian self-management. They're saying governments should merely create the atmosphere, with the minimum of legislation, for democracy in the workplace to grow as a co-operative effort.

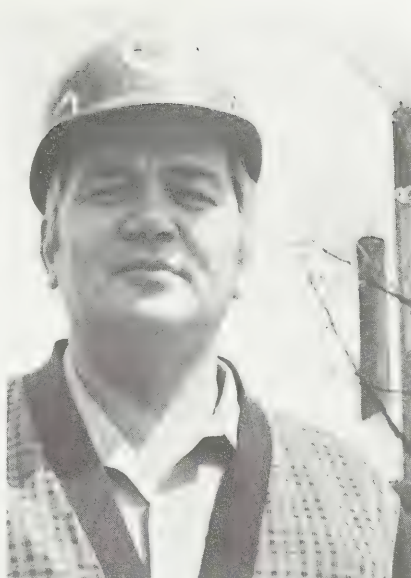
The great industrial participation debate should now be focusing on this point. How does government promote changes in industrial relations without sweeping intervention? A good starting point would seem to be the federal legislation making employee-management health and safety committees mandatory in companies under federal jurisdiction. Ontario is moving in the same direction, though not quite as quickly. Ontario law would require committees to be set up at the provincial labour minister's discretion.

This initiative was obviously inspired by experience in Saskatchewan, where health and safety committees were set up, through a 1972 law, in all companies with 10 or more employees. The committees in Saskatchewan have, in the majority of cases, evolved to handle matters far beyond the confines of health and safety. Hundreds of them, according to Robert Sass, director of the occupational health and safety division of Saskatchewan's department of labour, are now involved in problems concerning production structures and speeds and "overbearing foremen," among other things.

Tembec, again, provides useful illustration. Without the benefit of legislation, the plant on the banks of the Ottawa River has spawned 11 committees. Usually composed of three or four members, they bring managers and workers together to discuss a broad range of issues — including job evaluation, safety and security, hiring, discipline, vacations, automation and technology.

The committees have not served to supplant Charlie Carpenter in his role as president of Local 233 of the Canadian Paperworkers Union. Indeed, all his time — apart from the hours spent in the boardroom

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Charlie Carpenter

— is now devoted to the union job, but much less of it is taken up with the kind of minor irritations that, in a conventional Canadian workplace, grow into serious problems.

Tembec is perhaps the most outstanding of several examples of industrial democracy at work in the province of Quebec

"Before, even on the good days, there used to be about 10 grievances a day," he recalled in a recent interview. "Now, there's maybe one every three days, and we've gone up to six weeks without any." Far from hampering collective bargaining, the committees, and other forums for co-operation at Tembec, have served to extend it into a continuous process.

In a short while, Tembec has come a long way. When CIP decided to close the mill, there was no realistic work opportunity in sight



Productivity up sharply

for the 400-odd workers. Their average age was 47, and Temiscaming was a company town in a region of high unemployment. They fought, at town meetings and with appeals to government. For the workers, the struggle culminated with a blockage of the Ottawa River, when fishing boats blocked the passage of tugboats attempting to move about \$5 million worth of wood to another CIP plant downstream. Meanwhile, four former executives who disagreed with CIP's decision — brought about by corporate changes in the United States — were working to convince the Quebec and federal governments that the mill was still a viable operation. After some five weeks of discussion, a deal was struck.

In round figures, the workers, through a holding company called Atkwa, now own 40 per cent of Tembec's stock. The four managers who put together the financial plan own 43 per cent. Another 11 per cent is in the hands of a Crown corporation owned by the Quebec government, and the remaining 6 per cent is held by

people in the community. The workers have two representatives on the nine-member board of directors — Carpenter and Henri Lorrain, national president of the Canadian Paperworkers Union. Two other directors represent the Quebec government.

Aided by a payroll deduction plan, 400 employees each put up \$1,000 for Atkwa to acquire its stock. Then, in the first contract with the new company, they settled for a base pay rate about \$19 a week below the industry standard, gave up their pension plan and took cuts in sick-pay benefits. The understanding was that raises would be given and fringe benefits improved as profits allowed. The company opened its books to the union. A few months later, as bargaining evolved into a continuous process, the sense of the open-book arrangement was demonstrated in remarkable fashion.

The union put a wage proposal on the table at a negotiating session and, simultaneously, management tabled its offer. The two positions tallied exactly, for a raise of 35.5 cents an hour. Wages have gone up in several stages since then and a new three-year contract was signed recently after only three days of formal bargaining, compared to the months it used to take in CIP's days.

Productivity is up sharply. The mill produces three sheets of pulp in the time it used to take to turn out two. Part of the reason is an ongoing \$25 million expansion program, but, executives and union officials agree, worker involvement is a major factor.

Under the new ownership, the number of supervisors has been halved. Those who lost their jobs as full-time foremen are now head operators, sharing in the work, while other employees have more

Perhaps the most important new experiments in industrial democracy in Canada are taking place within the federal government

power to make decisions. Absenteeism has declined to less than half the 6 per cent rate for the industry as a whole, and one obvious reason is the company's profit-sharing plan. This gives all workers 10 per cent of net profits — enough to have more than repaid the \$1,000 each invested in stock. There has been sufficient retained profit to allow for the takeover of a paper mill in Niagara Falls, N.Y.

There is also, however, spending of another kind, which illustrates that a worker on the board need not be a sheep in wolf's clothing, a token in a managerial plot, as some would have us believe is always the case. Recently, management directors at Tembec proposed investing about \$500,000 to expand the plant. Carpenter persuaded them to postpone that program, and instead spend \$200,000 to improve working conditions in the mill, through better heating, air conditioning, lighting and lunch areas, among other things.

Although employee ownership and board representation have been important factors in the company's progress, Carpenter believes that *shop-floor democracy* has been mostly responsible for its success. That view is shared by senior management.

Tembec is perhaps the most outstanding of several examples of industrial democracy at work in the province of Quebec. Should it be argued that these are products of a social environment unlike any other in Canada, one only need

look at Byers Transport Ltd., of Edmonton, Alberta. [see also p.164]. This trucking firm, formerly a division of Pacific Western Airlines, had been in trouble for years before employees bought it in 1975. Through a series of reorganizations and management shuffles, annual losses grew from about \$70,000 in 1970 to \$480,000 in 1973. Morale was low, turnover and absenteeism high. While negotiations between the company and the International Brotherhood of Teamsters for a new contract dragged on, there was a two-day wildcat strike in 1973 and a provincial conciliator reported that continued intervention was useless because of the "atmosphere of hostility."

Employees began talking about buying the company when the Alberta government, which had acquired Pacific Western, made it clear it did not want to hold on to the trucking operation. Led by Sandy Slator, a senior executive, about 120 employees raised \$100,000 in equity capital, made up of 10-cent shares, with investments ranging from about \$500 to \$5,000. With aid from the Alberta Opportunity Co. (a provincial agency that supports new ventures), a \$1.3 million deal was struck under which the government bought Byers' land and buildings and leased them back to the new owners.

The employees took over in May, 1975. Slator designed the ownership structure so that senior management holds 30 per cent of the equity capital, middle management 15 per cent, junior management (including foremen) 10 per cent, and rank-and-file workers 45 per cent. No individual may hold more than 15 per cent of the stock.

Slator says he tried to strike an ownership balance that would prevent any one group taking

control. Although managers hold 55 per cent of the voting stock, those at the level of foreman "will identify as readily with the rank-and-file as with their seniors," he says. The 10-member board of directors includes three senior managers, two outsiders and two rank-and-file workers.

The company is run on fairly conventional lines. There are no European-style works councils or committees, although Slator, now president and general manager, wants to move in this direction. There is already an open-door management policy, which has informally opened channels of communication throughout the organization. It is this democratic approach to management, rather than the fact of employee ownership itself, that has made the Byers experiment a success, according to Wilf Permann, bargaining agent for Local 362 of the Teamsters, which still represents workers in the firm.

Permann used to be one of those unionists sceptical of the whole concept of industrial democracy in a North American setting. He's changed his mind. "We had some reservations at first, but now we've seen it work we think it's a good thing," he said in a recent interview.

On the evidence so far, the success of the new company has been nothing short of dramatic. From a loss of \$480,000 in 1973, it made, in the first year of employee ownership, a profit of \$250,000. There was a first-year cash dividend of 20 per cent on the shares, which have more than doubled in value to about 23 cents each. In some instances, according to Slator, productivity has increased more than 50 per cent. Dock workers, who pack the trucks for long-distance hauls in northern Alberta and the Northwest Terri-

tories, are now loading up to 2,000 pounds of freight an hour, compared with about 1,200 before the days of employee ownership.

Claims for damages have declined from about \$125,000 a year to \$40,000, while income for cargo has risen from about \$4 million to \$6 million. Turnover among dock workers has gone down from 40 per cent to about 10 per cent.

It's time for the debate to move from the question of whether industrial democracy should be fostered in this country to that of how it should be done

Meanwhile, according to the Teamsters' Permann, pay rates at Byers "are as good as anywhere and the fringe benefits are a little better." Slator is confident that profits will continue to improve and the company will be able to exercise its option to buy back its land and buildings at the end of the five-year term agreed with the Alberta government.

Financial success has come about not so much through people working harder these days, several employee-owners said in recent interviews, but because co-operation has led to greater efficiency.

It's worth crossing the border, briefly, to look at what may be North America's most advanced model of industrial democracy, in terms of power-sharing at the board level.

Workers, with some help from the local community and government agencies, bought an asbestos mine near Lowell, Vermont, in the spring of 1975, about a year after the former owners, GAF, a diversified maker of chemicals, photographic equipment and building materials, decided to close it.

Managers and workers have equal strength on the board of directors, each with seven members, a 15th director representing minority stockholders in the local community. The formula wasn't deliberately planned — it simply turned out that way when the new shareholders met to elect their first board. It's fascinating, though, that it almost exactly matches the German co-determination model.

A consequence of the Vermont company's structure has been an almost endless round of board meetings (in the first year of the new company the directors met no fewer than 38 times). The process seems to have been well worth it, though, both in terms of financial success and worker participation.

To launch the new enterprise — The Vermont Asbestos Group — the miners raised \$100,000 by selling stock. At \$50 a share, about half the employees invested \$78,000, and friends, relatives and local businessmen put up the other \$22,000. Then a local trust company persuaded a group of seven banks to commit \$1.5 million in loans, guaranteed by the state of Vermont. A Vermont bank lent another \$400,000, backed by a

The Financial Post



'Now here we have a prime example of self-management in action'.

federal guarantee and, finally, GAF granted the miners a \$250,000 credit. The former owners had said they couldn't afford to keep the mine going, but, after less than a year of worker-ownership the new venture was debt-free.

In the first year, profit exceeded \$1 million. Pollution-control equipment ordered by the federal environmental agency had been installed ahead of schedule, and the laid-down standards exceeded. There was enough cash left over for the United Cement, Lime and Gypsum Workers' Union to win a 19.4 per cent increase in wages and fringe benefits — three times as much as any previous settlement negotiated between the union and the former owners. In two years, the value of a share bought for \$50 climbed to about \$2,750.

Mastermind behind the transformation of the company was John Lupien, a French-Canadian who used to be supervisor of the maintenance shop under the former owners. He's now a key member of management, as vice-president, special projects, and also chairman of the board. Lupien says the board usually reaches decisions through consensus, after intensive discussion, but there have been divisions along traditional management and employee lines that have had to be resolved by vote. Recently, for example, when the board considered expenditure to replace a haulage truck, the managers favored a 35-ton model priced at \$112,000. Mechanics on the board preferred a 40-tonner, costing \$130,000, for its engineering and safety features. After a long argument, the mechanics won. The decision meant that a garage would have to be remodelled, and maintenance shop facilities enlarged, at considerable

...all the examples cited here have come about through co-operation between businessmen, trade unions, and, to an extent, government

expense, to accommodate the new truck, but Duane Brown, a warehouseman with a seat on the board, assured his fellow directors that the extra money would be more than recovered through productivity gains.

Perhaps the most important new experiments in industrial democracy in Canada are taking place within the federal government.

Several of these have been launched within the past several months. One with major implications is unfolding in the Post Office. While confrontation continues to be the keynote in relations between Post Office management and the Canadian Union of Postal Workers (representing inside workers), the letter carriers are sitting down with management in several informal committees. "It's based on Swedish industrial democracy," says Bill Findlay, executive vice-president of the Letter Carriers' Union of Canada.


Management and union representatives are tackling problems on a day-to-day basis, under the general agreement that their decisions will not set precedents binding either the Post Office or the union in future disputes. Local postmasters have been given power to settle, in co-operation with union locals, grievances that previously would have followed a tortuous course through "official channels."

A major breakthrough has been achieved on the thorny issue of

third-class mail — "junk mail" as it's commonly known. This type of mail has been growing rapidly in quantity, to the annoyance of letter carriers — but it's lucrative business for the Post Office. Now, in return for slightly more pay, the posties have agreed to carry more "junk." The pay raises amount to a reward for higher productivity, according to a senior Post Office executive.

Similar experiments are underway at the federal Treasury Board and Air Canada. It should be emphasized that all the examples cited here have come about through co-operation between businessmen, trade unions, and, to an extent, government. Each undertaking has gone ahead without the framework of some permanent umbrella organization, such as the tripartite council proposed by the Canadian Labour Congress, or Germany's Concerted Action Program, which brings national representatives of business, labour, and government together every three months.

Cynics who suggest that industrial democracy cannot be seriously considered in Canada until the larger political and economic issues of joint consultation have been settled are therefore only clouding the question. There's no reason why worker participation, co-determination, self-management — whatever is suitable for the particular situation concerned — should not develop along the lines described above, independently of any national forum dealing with issues of the economy as a whole.

Government, labour and business might, however, meet frequently and informally to discuss ways of forwarding the process. The methods of doing that should now be the theme of the great Canadian industrial democracy debate. 

Federal "quality-of-worklife" experiments

by Edward Cross

Many jobs are repetitive, demand few skills, and provide people with little freedom to make decisions. The public service, like most employers, has its share of employees who feel that their work is monotonous, trivial, meaningless, restricting and stressful. When this happens, workers may express their dissatisfaction in many ways, ranging from simple indifference to grievances and strikes.

Until recently, we have tended to accept these manifestations as the inevitable consequence of so-called "efficient" production. We now are beginning to realize that most jobs can be made more satisfying, and often with additional gains in efficiency.

In early 1975 there was a small group of officials who felt that some actual experimentation with Quality of Worklife (QOW) should be tried in the federal service. Discussions began with interested government departments, union officials, and the Public Service Commission. We also talked to management consultants, academics, and those with practical experience in QOW. As a result of these discussions, QOW experimentation was endorsed.

The frame of reference included:

- There must be a genuine union-management partnership.
- Unions and management must "shelter" the experiments to facilitate job and organizational changes while preserving basic employee rights.
- Participation must be voluntary.
- Unions, management and employees must have the right to opt out at any time.

Edward Cross is Treasury Board's project manager for the experiments.

- Employees would be encouraged to operate in autonomous, self-managing work units, free to experiment with their ideas regarding work and organization (subject only to minimum quality and quantity product or service output and budget limitations).

From a number of interested departments, three were selected for experiments. These were:

- Taxation (Regional office, London, Ontario) Audit section — 140 employees
- Statistics Canada (Ottawa) Key punch section — 24 employees
- Secretary of State (Ottawa) Translators — 30 in two groups

In May 1976, management and union representatives from the three experimental work sites met to select consultants who would work with the employees at the work sites and measure the results. It took some time for employees to understand QOW concepts and to discern the authority they were being given to try out their ideas in changing jobs and organization. Some groups initially leaned heavily on the consultants and have only recently begun to initiate things on their own. Employees required considerable help in learning to function as members of self-managing work teams.


Changes made in the early months of the experiments were mainly related to the job context, rather than the job content — flexible hours, compressed hours, time

banking, sick leave provision, working at home.

Changes now are beginning to occur in the actual work itself. Some work methods and the physical environments have been changed. Some functions, formerly performed by supervisors, have been taken on by employees. And some supervisors are now trying new roles, such as acting as resource people.

Our approach to QOW is based on the premise that if employees are given more opportunity to participate in the technology, tasks, processes and work organization, with the support of their unions and management, the result will be improved economic effectiveness and an improved worklife. This means creating work which provides: challenge, variety, responsibility, scope for learning and developing, opportunities to use skills and abilities, social contact, and an identifiable contribution to the final product.

I hope that by next year, we will have an interesting and successful story to tell. What has taken place in the experiments has clearly demonstrated that:

- our employees know a lot more about their work than we have been willing or able to recognize;
- they come to the workplace with the same expectations and needs that they have when they are at home or in the community; and
- if we can create conditions which tap this know-how and respond to those needs and expectations, we will have replaced the traditional win/lose situation with a win/win — with gains for both sides. 

Recent developments in labour education

by Roy LaBerge

The establishment of an integrated system for labour education is on the horizon, but whether that dream becomes a reality depends on the response of the Canadian labour movement. An editorial on that theme leads off a recent issue of *Canadian Labour* — quarterly journal of the Canadian Labour Congress — devoted almost entirely to labour education.

In one of six articles on the subject carried in the issue, Larry Wagg, national education director for the CLC, reviews developments in the field since a national conference on labour education, held in Ottawa in April 1975, gave the Canadian Association for Adult Education (CAAE), and its Quebec counterpart, the Institut canadien d'éducation des adultes, the responsibility of setting up labour education committees "composed for the most part of trade unionists, but also including representatives of colleges and universities."

The committees were recommended in a 10-point policy statement that also recognized the importance of paid educational leave, and declared that labour education is a right, not a privilege. According to Wagg, "this was a recognition that government funding for labour education was not only a necessity but that trade unionists wanted governments to recognize the uniqueness of this type of education."

In May 1976, the CLC convention adopted a policy statement on paid educational leave, calling for endorsement of the International Labour Organization convention

Roy LaBerge teaches social sciences at Algonquin College, Ottawa, and is a former editor of Canadian Labour.

and the passage of appropriate Canadian labour legislation, and urging all CLC affiliated unions to make educational leave a priority in collective bargaining. Since then, both the International Association of Machinists and the International Union of Electrical Workers have adopted policies on paid education leave, "instigated by their Canadian members," Wagg notes. The CAAE has met and formulated aims and objectives toward its role as a "link" between post-secondary institutions and the labour movement.

Another result of the conference, Wagg observes, is that more community colleges have become interested in starting labour education courses or establishing a labour studies centre or labour studies programs. This, however, has led to some "confusion," particularly in Ontario where there are more than 20 colleges and approximately one-quarter of these have some programs in existence.

"The definition of labour education is not always the same," the CLC director writes. "For instance, we do not consider as labour education a course or courses in a college that are mainly about

"...labour education programs should have a separate administrative identity as well as an independent budget"

labour-management relations, with a teacher from a business background, and a course outline the same as that taught regular students in business administration.

"We believe that labour education programs should have a separate administrative identity as well as an independent budget. There should be at least one full-time coordinator or administrator who not only must be knowledgeable in the field of labour education but who must recognize the role of unions in a democratic society. Ideally he or she would have a union background. We expect that these programs will be taught with a union bias and thus the instructors must be familiar with the goals and structures of the labour movement.

"There should be a committee of union members representative of the labour organizations in the college area. This, along with the college staff involved in the programs, should decide curriculum, instructors, and all matters pertinent to conducting the courses. It is not the role of the committee to tell a teacher how to teach a class, but the curriculum is the responsibility of the committee, and once that has been set, the teacher should be obligated to work within its framework. This is not dissimilar to any public education."

Wagg wants the "ground rules" clearly understood and adhered to. Experience had taught unionists that they had to "police" any collective agreement to ensure that workers were protected, and

unions would have to take a similar approach to any agreement for programming at the post-secondary level: "We want to develop courses that will benefit the union member and his organization. We believe that he or she has the right to that type of education from publicly funded institutions."

From a labour point of view, the "most significant action," since the conference was the appointment of a CLC committee to study the feasibility of a national Labour Education and Studies Centre. The committee's report was accepted by the 1976 convention and distributed to all principal officers of affiliated unions.

That report foresees a need both to expand existing union programs and to take advantage of existing facilities and resources of post-secondary institutions. Again, Wagg writes, the institutions "must recognize that any programs that are run in conjunction with the Labour Studies Centre will have to meet the criteria of the

The Labour Studies Centre would not be a "physical" centre but an "umbrella" for education programs, responsible to the unions...

Centre, and decisions as to curricula, resources, and instructors will also be the prerogative of the unions."

"Some may argue that this approach is too 'hard line' or that it violates 'academic freedom,' he admits, "but it reflects a genuine desire by the labour movement to have a meaningful influence upon its own destiny and, more particularly, to promote the union members' right to access to education programs that will enable them to participate more fully in their union organizations and in society."

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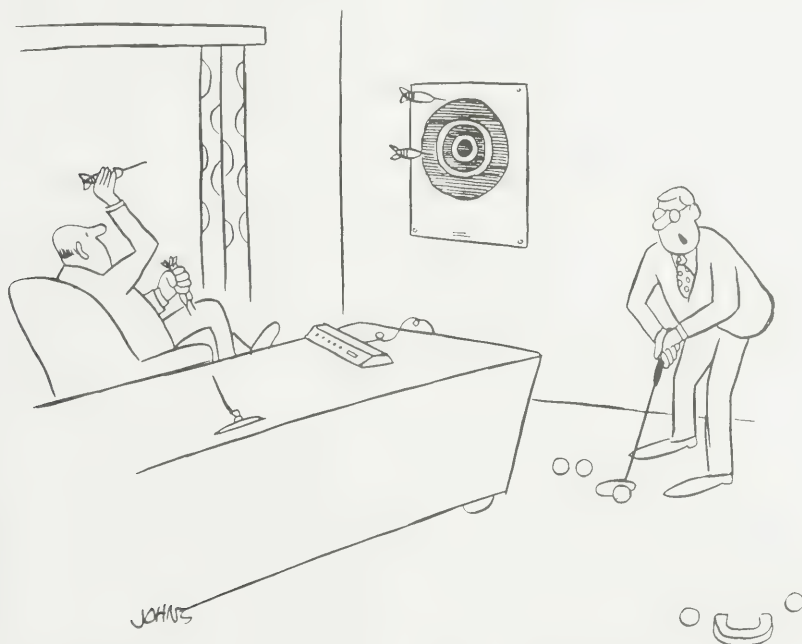
and their members through the CLC's executive council. This would not only maintain a link with existing union programs, but allow the Centre to maintain and develop a "progression" with existing programs. And any programs conducted with post-secondary institutions "will have to enable the participants, if they desire, to be part of this progression system as well."

He defines progression as "the opportunity for a participant to proceed from one course level to another in a sequential manner" but says this does not mean the students all must follow the sequences: "If they wish to participate in a course of their choice they may do so, but certain courses will require prior participation or enrolment."

This approach would provide courses that are "supplementary and complementary, avoiding duplication of effort, and thus best utilizing the already strained labour education budgets."

On the basis of those developments, Wagg looks to the future with optimism, "aware of the hours of hard work and dedication that will be required to develop this system. Success will have far-reaching effects upon both the union movement and Canadian society," he concludes.

In another article, Gregg Murtagh, education director for the Ontario Federation of Labour, describes successful efforts to introduce labour studies curriculum material into Ontario high schools. In the past, Murtagh writes, labour studies have been inadequate in the secondary schools because teachers lacked understanding of the topic, relatively neglected in universities. The OFL contracted with three teachers to prepare a series of curriculum guidelines for grades 9 and 10, covering a cross-section of labour studies in the



"I AGREE WE HAVE A BOTTLENECK SOMEWHERE IN THE ORGANIZATION, J.P., BUT THE TRICK IS FINDING WHERE IT IS."


Ontario context, including labour's political activity and history, labour laws and labour's future. So far, through district labour councils and local boards of education, the materials have been placed with 23 boards of education, Murtagh reports.

Jarl Bengtsson, a project leader and consultant in recurrent education with the Organization for Economic Co-operation and Development, discusses developments in recurrent or continuing education and manpower training in OECD countries. He observes

that there has been acceptance at the policy level of the idea that change is needed from a "concentrated education for the individual between seven and 25 years of age towards a system that would be available for an individual over his entire life cycle and in alternation with other activities." Nevertheless, he adds, "not very much is happening in the educational system" itself.

Ron Habkirk discusses the activities of a working group of rank-and-file union members who are studying training needs of people

employed in low-paid, dead-end jobs. The group is working under an agreement between the Manitoba Federation of Labour and the provincial department of Colleges and Universities. Habkirk is the MFL representative on the working group.

In other articles, Clare Booker, assistant to the CLC director of education, describes the CLC's weekend and week-long educational programs, and Jean Bezusky describes the work of the Labour College of Canada, in Montreal, of which she is associate registrar. 

Labour education by satellite

It appears that our political leaders, gradually becoming aware that healthy, militant and well-informed unionism is necessary and even vital to the internal dynamics of any industrial society, have in the past few months been more receptive to union education and more inclined to provide leaders in the labour movement with the material means to meet their educational objectives. In the provinces of Ontario and Manitoba, several courses in "labour education" have already been authorized and are being administered successfully at the secondary school level. Now the province of Quebec, and more particularly the University of Quebec at Hull, seem to be falling into step with this movement, the purpose of which is to give unionism its rightful place in our society, as a necessary and positive element of overall progress and an effective means of teaching democratic principles. Thus a primary objective of the University of Quebec at Hull is to educate and train teachers in "unionism" as a specific course of studies.


The University hopes that by giving educators an overview of the Quebec labour movement,

they will quickly learn to distinguish between the various types of unionism existing in the province, and that in the final analysis, they will be able to speak with skill and objectivity to their secondary school students.

To this end the University of Quebec has obtained from the Canadian government a "slot" in the timetable of the CTS (Communications Technology Satellite). The University uses this air time to offer a 45-hour course on the history of the Quebec labour movement, at the level of BA with specialization in vocational training.

The course is taught by Yves Asselin, who for seven consecutive years served as president and vice-president of the teachers' union in the Nicolet area (CEQ); it is intended for teachers of manual trades in the composite schools of Western Quebec. This is a three-credit course which requires that the student prepare a research paper of approximately 30 pages on the course topic.

The televised portion of the course is made up of nine segments of two hours of air time each. Each segment deals with a specific aspect of the union movement,

such as the way a union functions, or the co-operative movement and its applications. In each case the course calls upon resource persons who are experts on the subject in question; thus the students can communicate *directly* with people like Guy Chevette, who was one of the co-chairmen of the Cliche Commission, and ask them questions on a specific aspect of the topic under discussion. Indeed, the novel aspect of this form of instruction is that it permits direct oral and visual communication between a teacher and student who are separated by a distance of several hundred miles. An ingenious closed-circuit television system enables a speaker at any of the transmitting stations to see and speak directly to his viewers; similarly, the student may speak to his teacher or other students connected to the "omnibus network", regardless of the distance involved. Once this important first in television broadcasting is analyzed and improved, it will undoubtedly enable those responsible for labour education to make the CTS and its successors a valuable and effective tool of instruction. 

Francis Mallet
Ottawa

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The Parti Québécois and Quebec labour

by Pierre J.G. Vennat

On November 26, 1976, only a few hours before Quebec's newly-elected premier, René Lévesque presented his new Parti Québécois cabinet — which included Jacques Couture, a Jesuit, as minister of labour and manpower — and announced that Guy Chevrette, former vice-president of the Quebec Teachers Confederation and a former member of the Cliche Commission, would be his parliamentary assistant, the 173,000-member Confederation of National Trade Unions (CNTU) was denouncing the Parti Québécois in its union newspaper, *Le Travail*.

The day before the Lévesque announcement, the just-elected Parti Québécois member for Montmorency, Clément Richard, a former counsel to several hospital employee unions, had been expelled from the federation of social affairs, one of the major CNTU affiliates. His crime? — being a member of the "party in power."

This goes to show that although the Quebec labour movement believes that "its party" won the election, there may not be the honeymoon between labour and the Parti Québécois, that many expected.

A consensus has yet to be achieved among Quebec unions on the desirability of political independence. The fact remains, however, that nationalism, considered elsewhere to be a right-wing phenomenon, is a progressive force in Quebec. Although they have yet to agree on a formula for achieving it,

Pierre J.G. Vennat is a labour reporter with La Presse in Montreal.

Quebecers want greater economic autonomy from the federal government.

In order to understand Quebec's trade union movement, it must be remembered that as a general rule, Quebec employers — particularly large employers — are English-speaking, while the worker — the trade unionist — is French-speaking. This also explains why the Quebec trade union movement, now that it has adopted a nationalistic stance, is different from those in the rest of Canada and indeed the rest of North America. Above all else, the Quebec labour movement wishes to remain socialist.

That is why *Le Travail*, the official organ of the CNTU, in its November 1976 issue, had already begun putting some distance between itself and the Parti Québécois. As the paper stated, "The PQ is not socialist. It is a progressive and social democratic movement."

The article continued: "It is clear that the people of Quebec as a whole are being subjected to a national oppression originating

...there may not be the honeymoon between labour and the Parti Québécois that many expected

with the Canadian bourgeoisie and its government. This national oppression weighs upon all Quebecers in all spheres: political, economic, cultural and social."

Le Travail goes on to state that "the Canadian bourgeoisie is denying Quebec the right to self-determination and independence." It concludes that "the people of Quebec can now be considered to be engaged in a struggle for national liberation."

The newspaper gives the following reasons that differences are bound to arise between the Quebec trade union movement and the PQ:

The PQ's objective is an independent Quebec!

The PQ, however, is not challenging the economic domination of Quebec workers by the Canadian bourgeoisie and American imperialists.

For the workers who make up the majority of the population, national oppression takes the form of humiliation and exploitation at their places of work by bosses who are for the most part either English-speaking Canadians or Americans.

This domination also produces a great deal of insecurity and creates a vast pool of cheap labour, since at the present time one worker in ten in Quebec is unemployed.

Since the PQ does not represent the working class and is incapable of promoting the latter's fundamental interests, it will obviously

be unable to carry the struggle for national liberation to its logical conclusion, for even if it were to achieve the objective of independence, the lot of the worker would remain unchanged.

In order to continue this struggle and to abolish the capitalist system, it is imperative that Quebec workers organize as quickly as possible a true party capable of fighting the Canadian bourgeoisie, which is supported actively by Americans.

...the Quebec trade union movement, now that it has adopted a nationalistic stance, is different from those in the rest of Canada

This struggle against the oppression suffered by Quebec workers is inextricably linked with the struggle to build socialism and it should be pursued in co-operation with Canadian workers and with the support of the American people and all the oppressed peoples of the Third World.

The Quebec labour movement, of course, believes that "its party" won the election. The day after the election, the atmosphere of euphoria which prevailed was such that the 250,000-strong Quebec Federation of Labour rented a hotel suite so that Louis Laberge could proclaim that in bringing the Parti Québécois to power, "the people of Quebec have chosen a government that is not beholden to the powerful financial interests and that will be able to devote its attention to the real problems of Quebec's workers."

Not to be outdone, the QFL's main unionist rival, the CNTU, held a mini-convention in a parish hall

during which CNTU President, Norbert Rodrigue, loudly proclaimed that "this is both a victory for the people of Quebec and a resounding defeat for the Liberal administration." On the whole, however, the members of Quebec's major labour bodies appear to attach greater importance to the defeat of the Liberal Party than to the victory of the Péquistes.

Quebec's trade union movement does not want to repeat its mistake of 1960. It is an open secret that the trade union movement — the CNTU in particular, — flirted with the Lesage government during the '60s. This, however, did not prevent the government from taking the attitude that "the Crown does not negotiate with its subjects" — an attitude that marked the beginning of the confrontation between the Quebec government and its employees in the public and para-public health and education sectors.

This time, there is greater clear-sightedness. As the new president of the CNTU, Norbert Rodrigue, stated on the day following the election, "We cannot afford to relive the illusions of 1960." His predecessor, Marcel Pepin, assuming the role of prophet, foresaw this last summer when he wrote the following in his president's report:

"This time, as on the eve of the 1960 election, a new political team, the Parti Québécois, is preparing to receive the public's favour....The trade union movement must adopt a more rational and mature approach to events than it did during the Sixties. During those years, many people thought that life would change radically. Some improvements were of course felt, but the deep-seated causes of worker alienation were not

...the official organ of the CNTU...has already begun putting some distance between itself and the Parti Québécois

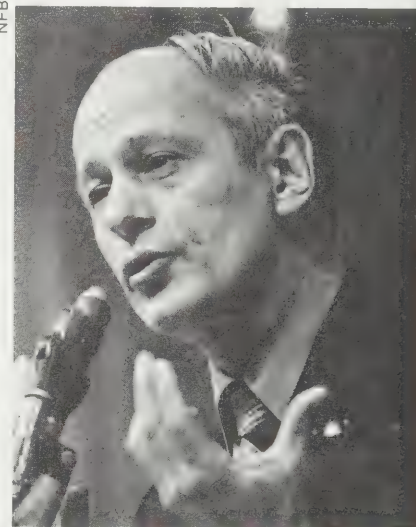
attacked. We must avoid repeating the disillusionment of the Sixties."

For his part, Louis Laberge, President of the QFL, made the following statement the day after the election:

"We have never hidden the fact that the PQ and the trade union movement differ on certain issues. We believe, however, that it will be possible to discuss worker demands with the government frankly and openly."

The QFL, overjoyed by the victory of the party which it had publicly supported did not dwell at length on the differences between itself and the PQ. Nevertheless, its president referred specifically to the adoption *in toto* of the recommendations of the 1974 Cliche royal commission inquiry into union freedom, which had become all the more likely

NFB



Lévesque

because Guy Chevrette, the newly-elected member for Joliette riding, who was one of the three commissioners, had just been appointed parliamentary assistant to the Minister of Labour and Manpower, a move which did nothing to reassure the QFL.

The QFL is opposed to the Cliche Report in its entirety and to some of the proposals in the Péquiste program — for example, the mandatory strike vote by secret ballot. The QFL is also opposed to another PQ proposal, — that strikes be considered legal only if they have been approved by a majority of the workers entitled to vote. Louis Laberge even went so far as to say, "If this were the case in politics, the PQ would not be in power."

Moreover, according to the trade unionists, the new PQ government will have to grapple with unemployment and rising prices. Also facing it is the problem of external control over the development of the economy, an inadequate labour code, legislative inadequacies which must be remedied in order to deal with the problems of worker health and safety, and the chaos which allegedly exists in the fields of health, automobile insurance, language and housing — in short, a litany of problems enough to frighten any apprentice politician.

Despite all these problems, the Lévesque government will try to maintain the new atmosphere of harmony for as long as possible. The evening after his election victory, in an appearance on the television program "Le 60" on the French-language CBC network, Lévesque spoke of a "favourable predisposition toward Quebec labour." He also stated in the same breath, however, that his government did not feel obligated to the unions, even though the


Quebec's major labour bodies appear to attach greater importance to the defeat of the Liberal Party than to the victory of the Péquistes

QFL had openly supported his party during the election campaign.

For their part, the Quebec labour bodies share this view. They do not feel beholden to the government. As Louis Laberge stated, "We owe the PQ nothing and they owe us nothing." From all indications, however, the two major labour bodies, the QFL and the CNTU, feel that the November 15 verdict represents a victory from which they expect to derive some benefit.

Although the Centrale syndicale démocratique (CSD) — the Congress of Democratic Unions —

did not support any party during the election campaign, it has nevertheless welcomed the PQ victory because it believes that the new government will be inclined to give more support to the demands of Quebec's textile workers, who are seeking import quotas. It is well known that more than one third of CSD members are employed in textiles and clothing, two sectors of the economy that are more dependent than others on the trade policy of the federal government. In short, the CSD, an apolitical labour body, is delighted at the election of an independence-oriented provincial government because it hopes that this government will attach greater importance to external trade policy than is normally done by a province.

It is clear that Quebec's trade union movement has taken special note of the new premier's remark on the "favourable predisposition toward Quebec labour" and intends to frequently remind him of it. 

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The P.Q. and Quebec business

by Ghislain Dufour

Since November 16, 1976, the Quebec businessman has been waiting to see what decisions the new Parti Québécois government will take, particularly in the highly contentious and complex field of labour relations.

The use of the term 'particularly' is not meant to minimize the uncertainty prevailing within the business community with regard to more than a few of the constitutional, economic and social policies contained in the Parti Québécois program. The possibility of Quebec separating from the rest of Canada, the enormous costs of implementing the social reforms it is contemplating, and the economic role that it envisages for the government, all justify the anxiety being expressed in management circles. This anxiety will diminish only as the government reveals its true intentions and introduces new legislation and regulations that are acceptable to management.

However great these various concerns may be, the fact remains that the shape of future legislation in the field of labour relations remains one of the paramount concerns of the business community. Sometimes there is too great a tendency to underestimate the importance that companies attach to anything either directly or indirectly affecting the labour field, despite the fact that this is one of the key criteria in the many decisions normally taken by established companies or potential investors.

On the specific question of pos-

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sible government intervention, the Parti Québécois program contains nothing that would give even born optimists cause for celebration. The key points of its program in this area, as published in 1975, include:

- to facilitate the unionization of all employees by allowing, among other things, certification by sector and thus instituting sector bargaining;
- to make the application of the Rand Formula mandatory;
- to permit management personnel to unionize; and
- to ensure that when a legal strike occurs, a halt is called in the production of the unit engaged in bargaining.

It should be noted, moreover, that the party's program says virtually nothing regarding a comprehensive review of bargaining mechanisms in the public and para-public sectors, the establishment of an effective manpower policy, or the role of the government as employer in Quebec society, all of which are specific questions

...the shape of future legislation in the field of labour relations remains one of the paramount concerns of the business community

which now demand the attention of the provincial government.

A number of decisions or statements made since November 15 further contribute to management's uncertainty regarding the government's intentions in this field. Three of these statements or decisions are of particular interest:

- The government's decision to raise the minimum wage to \$3.00 an hour effective January 1 this year, whereas in Ontario, it is only \$2.65 an hour. This decision clearly confirms that the government is more interested in social and political than in economic issues. How else can the business community interpret this decision, since this most recent increase means Quebec has become the province with the highest percentage increase in the last two years — 30.4 per cent. Furthermore, in Quebec, the minimum wage is now 59.6 per cent of the average hourly wage, the highest proportion in Canada;
- The government's decision to fulfil its recent campaign promise not to abide by the anti-inflation wage guidelines in the public and para-public sectors, thus creating a discrepancy between the private and public sectors which is clearly disadvantageous to workers in the private sector;
- The constant use of statements to the effect that the government is favourably predisposed toward labour, which leaves the door open to all kinds of interpretations.

It should come as no surprise, then, in light of the key points in

the party's program and the three examples described above, that management is in suspense and wants a further indication of the specific directions in which the government will move. It cannot support the kind of approach which favours the universal application of the Rand Formula, at least until the new government has given special attention to the major problem of union democracy. Nor can it, for basically the same reason, support the mass unionization of workers or abandon what it considers to be its inalienable right to continue trying to maintain operations as best it can even if its employees have decided to temporarily withdraw their services.

...the Parti Québécois program contains nothing that would give even born optimists cause for celebration

Management has not only criticized some of the proposals put forward by the Parti Québécois but is also attempting to ascertain what action, if any, will be taken on a number of matters it has raised in the past and which it intends to press with the new government. They include the maintenance of essential services, the long-sought-after certification of employer associations, and the question of whether the current limitations placed on subcontracts by section 36 of the Labour Code will be maintained, whether legislation will be enforced, and whether the government will be prepared to define exactly what is meant by picketing.

The government has yet to reveal its views on these and many other issues despite the importance which management attaches to them. Thus, one can sympathize

The government would be well advised to do all within its power to dispel...the uncertainty prevailing within management circles

with the fact that management must continue to operate in a climate of uncertainty, first of all as it awaits the government's response to its own concerns, and secondly, as it faces government plans to which it generally cannot subscribe.

The government would be well advised to do all within its power to dispel as best it can, and as soon as possible, the uncertainty prevailing in management circles. In his recent inaugural message to the National Assembly, Premier René Lévesque indicated that his government was already working toward that end by deferring to a later session discussion of certain

written elements of the party's program. This is at least an indication that the theories advanced within an opposition party's program are not necessarily written into law the moment the party assumes power. Another hopeful sign is the fact that the new labour minister is willing to allow the Labour and Manpower Consultative Council, a tripartite advisory body formed by the Department of Labour and Manpower in 1968, to serve as the focal point for the discussion of labour relations problems in Québec. Unfortunately it has not performed this function in recent years.

This approach would encourage government responsiveness, meaningful consultation and co-operation, and would provide an opportunity to determine how realistic the government's proposals are — all positive steps toward improving what some people are now justifiably calling an uncertain picture. [g]

The way it was

Getting married or having a child was worth an extra \$10 to employees of a Quebec shoe factory in 1952. A clause in the appendix to a collective agreement reached between employees and management at Eudore Fournier and Son, Plessisville, Que., provided for the payment of that amount to a worker with a year's continuous service who married or became a parent.

In 1936, apparently for the first time, 12 workers employed by four Quebec firms were prosecuted for violating a collective agreement

under the province's Collective Labour Agreements Extension Act. The joint committee for the enforcement of the agreement in the fur industry laid a complaint in Montreal against the workers and their employers for violation of the terms of the agreement concerning hours. These employees had worked after nine o'clock in the evening, contrary to the agreement. The accused pleaded guilty and were required to pay the costs of the case. The judge issued a warning that for a second offence of this kind, a more severe penalty would be imposed. [g]

Labour legislation in Canada, 1976

Part 1C: Emergency legislation

by Nicole Marchand

In 1976, British Columbia, Ontario, Québec and the federal jurisdiction adopted emergency legislation to settle certain labour disputes affecting the **education sector, health services, provincial railway and ferry services** on the West coast and **longshoring operations** on the East coast.

Federal jurisdiction

On October 22, the Port of Halifax Operations Act ordering resumption of longshoring and related operations was passed by Parliament. The Act provided that the new collective agreement in force between the parties was the document signed between the Maritime Employers Association and the Halifax Longshoremen's Association, Local 269, tabled in the House of Commons by the minister of labour on October 22, exclusive of certain items of the rules of despatch. The Act prohibited strikes and lockouts during the term of the new agreement and provided for enforcement measures by means of injunction in case regular operations were not resumed at the Port of Halifax.

British Columbia

Employees of the British Columbia Railway Company, the Ferries Division of the Department of Transport and Communications, and

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those employees represented by the Hospital Employees' Union, Local 180, were ordered to resume their employment by ad hoc legislation in British Columbia.

The Railway and Ferries Bargaining Assistance Act received royal assent, June 14. Under Part I of the Act the minister charged with the administration of the Act may, with the approval of the lieutenant-governor-in-council, appoint special commissions to inquire into all matters pertaining to relations between employers, employees and their trade-unions. Part II of the Act ordered resumption of railway and ferry services 48 hours following the coming into force of this part of the legislation (which was June 15). It prohibited strike action and picketing of the place of business, operations or employment of the employer. It provided for the appointment by the minister of a board of arbitration to look into all matters remaining in dispute between the parties. The board of arbitration could refer to fact-finding, final offer selection or mediation to finality in order to make a decision which was to become final and binding upon the employer, the trade unions affected and the employees on whose behalf the

trade unions were entitled to bargain.

Part III of the Railway and Ferries Assistance Act provided that where an employer and a trade union are unable to conclude a collective agreement and the lieutenant-governor-in-council is of the opinion that an immediate and substantial threat to the economy and welfare of the province and its citizens exists or is likely to occur, he may, by order, prescribe a cooling-off period not exceeding 90 days. Strikes and lockouts are prohibited during the 90-day term and the minister must appoint one or more special mediators to assist the parties in concluding an agreement. Where the dispute is not resolved with the assistance of a special mediator he must report to the minister his recommendations as to the procedures that should be followed to achieve a collective agreement. If fact-finding is recommended, the minister may appoint a person to act as fact-finder whose decision, however, is not binding on the parties but is made for their advice and guidance.

In June 1976, the British Columbia legislature also adopted the Hospital Services Collective Agreement Act to settle a labour dispute between the Health Labour Relations Association representing certain hospitals and the Hospital Employees' Union, local 180. The



"Things usually work themselves out. For example, the high price of food spoils my appetite."

legislative provision, was adopted in April to end strikes and lockouts and to provide for the settlement of a dispute involving school boards and colleges and approximately 90,000 employees in Québec. The legislation ordered resumption of employment and prohibited strikes, lockouts, slow-down or diminution of regular activities in the education sector. It provided for the appointment by the lieutenant-governor-in-council of three commissioners to inquire into the dispute. The Act also established severe penalties in case of contravention.

In July, emergency legislation was also adopted to deal with a dispute involving nurses employed by local

community service centres, hospitals, social service centres and reception centres. An Act respecting health services in certain establishments became law on July 24, ordering resumption of services by employees whose conditions of employment had not been determined by agreement before July 23. These conditions of employment were established by Sessional Paper No. 151 dated July 23 in the National Assembly and constituted a collective agreement which will expire on June 30, 1978. The Act also provided for penalties in case of failure by the employees, the associations of employees, and the establishments to comply with the order to resume functions and services. [9]

Act ordered resumption of hospital services, prohibited strikes and lockouts and invalidated any declaration, authorization or direction to go on strike given before or after the coming into force of the Act. Appendix I of the report of the special mediator appointed to the dispute prior to the passage of the legislation was deemed to constitute the terms and conditions of a collective agreement between the parties.

Ontario

In 1976, the Ontario legislature adopted emergency legislation on five instances to deal with work stoppages and disputes in the education sector. Secondary school teachers and the school boards of Metropolitan Toronto, Kirkland Lake, Central Algoma, Sault Ste-Marie and Windsor were affected by these ad hoc measures. In Central Algoma, the dispute was referred to a selector for determination and withdrawal by the parties from such proceedings was prohibited. In the other cases, the legislation provided for settlement by final and binding arbitration. Resumption of normal operations was ordered in school boards where strikes or lockouts had taken place immediately prior to the adoption of the legislation, and interruption of activities was prohibited until collective agreements were to come into effect.

Québec

Bill 23. An act respecting the maintaining of services in the education sector and repealing a certain

comment

Takes issue with Jecchinis on workers' control

I normally do not comment on letters in magazines but Professor Jecchinis' comments (Nov. 1976) regarding your fine August issue of *The Labour Gazette* need some reply. I can well imagine his disagreement with Gil Levine and Kent Rowley; indeed there is much that I too disagree with in their papers. However, Professor Jecchinis' comments require some critical examination.

To claim as Professor Jecchinis does that the issue of workers' control is to be equated to the notion of the dictatorship of the proletariat is to miss the major goal of the workers' control movement — to reduce excessive centralized state power, whether it be capitalist, Stalinist or Fascist. Workers' control at the factory level then is a major goal of many democratic socialists who abhor the theory and practice of the dictatorship of the proletariat. To slur advocates of workers' self-management such as the great British socialists: G.D.H. Cole, Dame Margaret Cole, R.H. Tawney and Bertrand Russell is not only unjustified but is historically inaccurate.

Regarding the modern birth of German co-determination, I would only like to suggest that both Mr. Levine and Professor Jecchinis may have provided one-sided histories. My limited reading on the subject suggests that a decision was made at Potsdam to limit the

power of the German military industrial complex. Some of the suggestions by Allied authorities at the end of the war went so far as to suggest de-industrializing Germany. More moderate views prevailed, however, and co-determination was introduced in certain industries in the British sector, not the American zone. The proposals were mutually agreed to by both the occupation forces and the occupied country. One should note that in Britain the Labour Party was in power and the late Forties were marked by a very important debate and split on the issue of workers' control and self-management in that country. Thus it is perhaps not surprising that the idea of co-determination was received favourably by the British as a means of limiting monopolistic tendencies of German heavy industry and of democratizing German society.

On the question of foreign labour or 'guest workers' being a determining factor in German industrial growth, one can suggest a number of omissions in Professor Jecchinis' account. One does not have to believe in the Marxist analysis of class conflict to recognize the inadequate treatment of alien labourers. The lack of socio-political rights and economic benefits for these people in Germany in past years have been noted with dismay by a number of German researchers. Whether such deprivation was the

'key factor' or not in the German economic miracle is perhaps impossible to determine. However, no one can deny that the inferior treatment of these second-class workers has seriously tarnished any possible positive evaluation of German co-determination. Many of us would have been much happier to draw simple positive conclusions had the situation in Germany been less complex. Given the complexity however, one must temper all praise by noting the presence of such gross social inequality.

Finally, Professor Jecchinis suggests the benefits of foreign workers to their home countries is substantial and clear-cut. He fails to note, however, that given the recent economic recession and sudden 'return' to the countries of origin of these 'guest workers'; there are major re-evaluations of such arrangements. Less praising, Yugoslav commentators, for example, point out that such temporary 'loans' of labour to more advanced heartlands such as Germany frequently divert desperately needed skilled labour from developing countries and as a result postpone or seriously dislocate readjustments and stable growth of such underdeveloped economies.

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Books

Economists at Bay, why the experts will never solve your problems

by **Robert Lekachman**, McGraw-Hill, 1976

Robert Lekachman, a professor of economics at Herbert H. Lehman College, City University of New York, has again enhanced his reputation — or notoriety — as one of the foremost critics of conventional economics as taught, and practised, in North America. Some economists will regard his writings as humour, most will dismiss them as the misguided musings of an economic crackpot. It is much easier to ignore them than to face the possibility that they might be correct.

If Lekachman is right, few economists understand the real world they live in — a world of monopoly capitalism run for and by the major multi-national corporations. As Lekachman puts it: "Ignorance of the real world is more than bliss; it is very nearly a prerequisite to a successful career in conventional economics."

So economists continue to discuss, and teach, theories about markets that don't exist in practice, and analyze concepts of consumer choice that exaggerate "the autonomy of the average American" and drastically understate "the manipulative arts of advertisers and sellers."

Such "analytical lapses" are no accident, he contends, but the consequence of one of the profession's gravest failures of institu-

tional understanding — "the longstanding reluctance of economists to struggle with giant corporations — the dominant commercial institutions of the century. One ought to grant the large corporation pride of place in a catalogue of departures from the economists' competitive dream world."

Standard economics merely "compounds its sin" when it almost ignores trade unions and treats with "unpardonable naïveté" the consequences for analysis and policy of the close ties between political institutions and private interest groups."

He claims that few economists understand — or, consequently, teach — that when the corporations have power over markets, in the community and over the state, they are political instruments, not merely economic ones. For example, the City of New York was brought to its knees and forced to fire thousands of employees — policemen, firemen, sanitation workers and teachers — when a group of bankers refused to market the city's securities. Such power, exercised by a small group of people, bears no relationship to the principles of "free enterprise," Lekachman contends.

An example of economists' naïveté is their exaggeration of the benefits of annual growth of the gross national product: "If Americans decide to smoke twice as many cigarettes, GNP rises..." but if this enlarges medical expenditures on lung cancer, heart disease and emphysema, these outlays also "swell the GNP." If a new industry is built on a river, the GNP will go

up even more because the cities downstream will have to install anti-pollution equipment.

He states some of the realities of which most economists appear ignorant: "By common consent, price competition among the giants is discouraged as ungentlemanly...Wealth notoriously confers political clout, and the capacity to use that clout to enlist the authorities in the protection and enlargement of the owners' position in the world. It is well within our national resources to totally eliminate poverty as it is measured by Washington.

"Children and economists," he observes, "may think that the men at the head of our great corporations spend their time thinking out new ways to please the customers or improve the efficiency of our factories and offices. What they actually concentrate on is enlisting their governments to protect their foreign and domestic interests."

Lekachman recognizes that competition is not extinct: "There is an unplanned sector — retail trade, a few manufacturing industries and a dwindling band of family farms — that operates more or less according to the rules of price theory text books. But the planned sector — the largest part of manufacturing, finance, insurance and much professional activity — is manifestly more important and steadily growing."

Finally, Lekachman urges economists to revive the traditions of their masters — Adam Smith, Karl Marx, Thorsten Veblen and even

John Maynard Keynes: "Economics will never return to its former glories until economists take courage in both their hands, retreat from their inconsequential role as 'neutral' technicians, and once again act like social scientists in search of understanding and social change."

He doesn't provide any answer to the question: Who is going to hire economists who are seeking and proposing social changes and questioning such taken-for-granted values of our culture as individual responsibility, free enterprise, acquisitiveness and "competition" — as reflected in the existing

North American political-economic structures?

— Roy LaBerge

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Research Notes

Collective bargaining

The Inflation Dilemma. Thirteenth Annual Review, Economic Council of Canada, December 1976.

A chapter in the Economic Council's latest annual review is devoted to recent collective bargaining trends. It concludes that a combination of past inflation, legitimate wage catch-up situations, and uncertainty about future inflationary trends and business expectations has had the effect of hardening negotiating postures, lengthening the bargaining period after the termination of contracts, and encouraging work stoppages.

"The Impact of Inflation on Strike Activity in Canada," by Douglas A. Smith. *Relations Industrielles / Industrial Relations*, Vol. 31. No. 1.

The state of the economy has been the underlying factor in creating disruptions in the collective bargaining system in recent years says Professor Smith. His statistical analysis shows that every additional percentage point of inflation leads to an extra 15 strikes per quarter, while an additional percentage point in the unemployment rate will restrain the level of strike activity by

approximately eight strikes per quarter. The clear policy implication is that the most effective method of reducing strike activity is through economic policy to reduce fluctuations in the rate of inflation rather than through legislated changes in the industrial relations system.

Flexible hours

L'horaire variable au Québec: rapport d'enquête. Québec, ministère du Travail et de la Main-d'oeuvre, 1976.

An analysis of the experience of 40 organizations which have introduced flexible hours indicates that the effects have been highly positive in most cases. Productivity has increased, service has improved, and there has been a reduction in lateness, absence, and overtime. The change has been favourably received by both management and employees.

Industrial democracy: U.K.

Report of the Committee of Inquiry on Industrial Democracy, January 1977.

Lord Bullock and a majority of his Committee propose that legisla-

tion should be enacted to make it possible for employee representatives to be appointed to boards of parent companies and of subsidiaries which employ more than 2,000 people. This would cover some 738 companies and about 7 million employees in Britain. Under the proposed " $2x + y$ " formula, shareholders and unions would choose an equal number of directors and these would then co-opt a third group of directors. The third group would always amount to less than one third of the total.

Labour boards

The Expansion of Labour Board Remedies — A New Approach to Industrial Conflict, by D.D. Carter. Industrial Relations Centre, Queen's University, Kingston, Ont., December, 1976.

Until the late 1960s, notes the chairman of the Ontario Labour Relations Board, the attention of labour boards in Canada was focused on the establishment of collective bargaining relationships. Recent legislation, however, has provided them with an almost comprehensive jurisdiction over industrial relations disputes and with the remedial power to deal with these.

Railway pensions

Report of the Industrial Inquiry Commission Into Canadian Railway Pension Plans. Labour Canada, 1976.

In many important respects, finds Commissioner Noel Hall, Canadian railway pension plans compare favourably with others in the public and private sectors. However, the pensions that are being paid to many retired railway employees are inadequate as a result of erosion through inflation. Dr. Hall proposes that a "Heritage Fund" be created, based on a levy of 1 per cent of payrolls and

shared equally by current employees and the companies, to provide for the full "past COLA adjustments" for current pensioners, deferred pensioners, and those in receipt of survivor's benefits. There should also be a mechanism whereby the interests of retired employees could be more effectively represented at the bargaining table.

Teachers

Compensation in Elementary and Secondary Education, Ontario Committee on the Costs of Education, Interim Report Number Six, 1976.

A major revision of Ontario teachers' salary schedules is needed to bring them more into line with present practice in business and industry says a government-appointed committee. It suggests that consideration be given to the determination of salary levels and employee benefits through negotiation using the principle of "fair comparison" with "good employers." The committee presents a model to show that such a change is possible.

The foregoing was prepared by Dr. Laurence A. Kelly, an independent industrial relations researcher in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Accidents

Canada. Department of Labour. Accident Prevention Division. *Fatalities in Canadian industry, 1966-1975.* Ottawa, 1976. 1 v.

Collective bargaining

Abel, Iorwith Wilbur. *Collective bargaining: labor relations in steel, then and now.* Pittsburgh, Carnegie-Mellon University, New York, distributed by Columbia University Press, 1976. 629p.

Beal, Edwin Fletcher. *The practice of collective bargaining,* by Edwin

F. Beal, Edward D. Wickersham and Philip K. Kienast. 5th ed. Homewood, Ill., R.D. Irwin, 1976. 690p.

The fifth edition of this work begins with a discussion of union and employer organization for collective bargaining in the United States, and of government as regulator in the industrial relations system. The authors discuss collective bargaining issues and activities, and the particular problems of public sector bargaining. Case studies are included.

Daniel, William Wentworth. *Wage determination in industry.* London, P.E.P., 1976. 132p.

An analysis of wage policies in Great Britain and their effects on collective bargaining. Sample surveys based on personal interviews with management and union representatives contribute toward an understanding of the process of collective bargaining. The authors found variations in important

aspects of labour relations in British industry according to differences in the economic, organizational and structural characteristics of manufacturing plants.

Hutt, William Harold. *The theory of collective bargaining, 1930-1975:* a critique of the argument that trade unions neutralize labour's 'disadvantage' in bargaining and enhance wage rates by use or threat of strikes. London, Institute of Economic Affairs, 1975. 140p.

Quinet, Félix. A discussion of two topics directly related to the institution of collective bargaining: 1. The role of the Pay Research Bureau; 2. The process of technological change. Ottawa, Pay Research Bureau, Public Service Staff Relations Board, 1976. 1 v.

Sheiffer, Victor Jack. *Technological change and collective bargaining: experiences in the New York milk-distributing industry, 1939-1972.* Ann Arbor, Mich., Xerox University Microfilms, 1976. 545p.

Employment statistics

U.S. Bureau of Labor Statistics. *U.S. workers and their jobs: the changing picture.* Washington, G.P.O., 1976. 1 v.

Equal pay for equal work

Ontario. Ministry of Labour. *Equal pay for work of equal value*, a discussion paper. Toronto, 1976. 106p.

Industrial health

Canada. Commission of Inquiry on Health and Safety in Grain Elevators. *Report of the Commission of Inquiry on Health and Safety in Grain Elevators*, appointed by the Minister of Labour pursuant to subsection 86 of the Canada Labour Code, October, 1976. Vancouver, 1976. Commissioner: W.D. Finn. 2 v.

International Labour Office. *Working environment: atmospheric pollution, noise and vibration.* Fourth item on the agenda. Geneva, 1976. 1 v. Titre en français: Le milieu de travail: pollution atmosphérique, bruit et vibrations.

Industrial relations

Forseback, Lennart. *Industrial relations and employment in Sweden.* Stockholm, The Swedish Institute, 1976. 137p.

An up-to-date analysis of the Swedish industrial relations system. Following a brief history of the Swedish trade union movement, the author discusses Swedish labour market organizations, rules governing collective bargaining activities, the bargaining process and wage policy. A forward look is taken toward Swedish industrial relations in the 1980s.

Barrett, Brian, ed. *Industrial relations and the wider society:*

aspects of interaction, edited by Brian Barrett, Ed Rhodes and John Beishon, assisted by Gail Midgley. London, Macmillan for the Open University Press, 1975. 466p.

A collection of contemporary articles for both students and practitioners in industrial relations. The choice of material reflects a wide range of views; some typify an approach to the study of industrial relations or provide important insights into one aspect of the subject, while others summarize a number of viewpoints.

Job enrichment

Carby, Keith. *Job redesign in practice.* London, Institute of Personnel Management, 1976. 68p.

Labour organization

Milligan, Stephen. *The new barons, union power in the 1970s.* London, Temple Smith, 1976. 254p.

Thakur, Manab. *White collar unions*, by Manab Thakur and Michael Naylor. London, Institute of Personnel Management, 1976. 88p.

Wood, William Donald. *The current trade union scene, patterns and trends*, by W.D. Wood. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 68p. (Queen's University. Industrial Relations Centre. Reprint series no. 33)

Pensions

Drucker, Peter Ferdinand. *The unseen revolution: how pension fund socialism came to America.* New York, Harper, 1976. 214p.

Drucker predicts that by 1985, at the latest, employee pension funds will own at least 50 per cent of the equity capital of American business. He discusses the implications of "pension fund socialism" in relation to American economic

structure and policy, inflation, capital formation, jobs and retirement, and the future of social security. Suggestions are made toward reform of the American pension fund system.

Retirement

Korn, Richard. *A union and its retired workers: a case study of the UAW.* Ithaca, N.Y., New York State School of Industrial and Labor Relations, Cornell University, 1976. 60p.

A survey of the organizations and activities established by the UAW for its retired workers. The efforts of other unions on behalf of their retired members are broadly discussed. The UAW has emphasized the importance of co-operation with the community in developing its retiree programs.

Women — Employment

U.S. Women's Bureau. *The role and status of women workers in the United States and Japan*, a joint United States-Japan study. Washington, G.P.O., 1976. 247p.

Work satisfaction

Job satisfaction — a reader, edited by **Michael M. Gruneberg.** New York, Wiley, 1976. 254p.

The first section of this collection of articles defines the nature of job satisfaction. The following sections discuss the nature of the job, environmental factors and individual differences as they relate to job satisfaction. The book concludes with an examination of the effects of job satisfaction and dissatisfaction on worker performance.

Kanungo, Rabindra N. *Analyses of employee behavior in a bicultural context.* Montreal, Faculty of Management, McGill University, 1976. 37p.

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, February

The all-items Consumer Price Index for Canada (1971 = 100) advanced 0.9 per cent to 155.4 per cent in February from 154.0 per cent in January, and was 6.7 per cent higher than a year ago. Almost three fifths of this increase was due to a 2.0 per cent rise in the food index, mainly because of higher prices for fresh produce, especially vegetables, and for coffee, pork, bread and restaurant meals. In February, the index for food consumed at home was 2.4 per cent, the first year-over-year rise in the level of this index since mid-1976.

Increased shelter charges for both owned and rented accommodation, as well as higher clothing prices, were largely responsible for the 0.5 per cent rise in the index, for all-items excluding food. Other contributing factors to this advance included higher electricity rates in some municipalities, increased charges for barbering and hairdressing services and higher beer prices in Ontario.

In terms of goods and services, the price level of goods, including food, increased 1.1 per cent in the latest month, while that for services increased 0.6 per cent. Seasonally adjusted, the all-items CPI advanced 0.8 per cent between January and February. This included a 1.7 per cent rise in the food index and a 0.6 per cent increase in the index for all-items excluding food.

City consumer, February

From January to February, consumer price indexes rose in all regional cities. Increases ranged from 0.4 per cent in St. John's, Nfld., to 1.4 per cent in Thunder Bay. Rising food prices — notably for fresh fruit and vegetables, coffee, and selected meat items as well as for restaurant meals — contributed substantially to the changes.

In five cities — Halifax, Saint John, Quebec, Montreal and Winnipeg — the increase was 1.1 per cent. Percentage increases in the other nine cities were: 0.4 in St. John's, 0.7 in Calgary, 0.8 in Saskatoon, 0.9 in Toronto and Regina, 1.2 in Ottawa and Edmonton and 1.4 in Thunder Bay.

Between February 1976 and February 1977 percentage increases recorded in the 14 regional cities were: 9.1 in Vancouver; 8.7 in Regina; 7.9 in Edmonton; 7.6 in Winnipeg; 7.5 in Quebec; 7.2 in Calgary; 7.0 in Montreal and Ottawa; 6.8 in Saskatoon; 6.4 in Saint John and Toronto; 6.3 in St. John's; 5.9 in Thunder Bay; and 5.7 in Halifax.

Employment, February

The seasonally adjusted employment level in February was 9,656,000, an increase of 25,000 from January, Statistics Canada reported. The level decreased by 10,000 for men 15-24 years old and by 2,000 for men 25 years of age and over. It declined by 5,000 for

women aged 15-24 and increased by 38,000 for women 25 years of age and over. By province, the seasonally adjusted employment level increased in Newfoundland by 4,000; in Prince Edward Island by 1,000; in Alberta by 13,000; and in British Columbia by 5,000. It decreased in New Brunswick by 3,000; in Quebec by 3,000; in Ontario by 4,000; and in Manitoba by 3,000. In Saskatchewan and Nova Scotia the level was unchanged.

Unemployment, February

The seasonally adjusted unemployment rate for February (829,000) increased by 0.4 per cent to 7.9 per cent. For men aged 15-24, the rate increased by 0.7 per cent to 14.5 per cent, and by 1.4 per cent to 14.2 per cent for women in the same age group. The rate increased by 0.3 per cent to 4.7 per cent for men 25 and over and for women in the same age group it remained at 7.0 per cent. By province, the unemployment rate increased by 1.5 per cent to 15.1 per cent in Newfoundland; by 0.5 per cent to 9.0 per cent in Prince Edward Island; by 1.1 per cent to 11.0 per cent in Nova Scotia; by 0.7 per cent to 9.7 per cent in Quebec; by 0.6 per cent to 6.8 per cent in Ontario; and by 0.9 per cent to 6.0 per cent in Manitoba. The rate decreased by 0.2 per cent to 13.0 per cent in New Brunswick; by 0.2 per cent to 3.7 per cent in Saskatchewan; by 0.3 per cent to 4.0 per cent in Alberta; and by 0.6 per cent to 8.2 per cent in British Columbia.

Earnings, January

Average weekly earnings in Canadian industry were \$238.25 in January, an increase of 9.8 per cent from \$217.03 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$270.26; Alberta, \$248.07; Ontario, \$238.18;

Newfoundland, \$234.19; Quebec, \$232.26; Saskatchewan, \$224.47; New Brunswick, \$218.64; Manitoba, \$217.59; Nova Scotia, \$204.86; and Prince Edward Island, \$185.01. Average weekly earnings in January, by industry division, were: mining, \$340.31; construction, \$336.95; forestry, \$308.92; transportation, communication and

other utilities, \$273.54; manufacturing, \$255.96; finance, insurance and real estate, \$219.01; trade, \$185.11; and service, \$166.86. Compared with January a year ago average hourly earnings increased 12.7 per cent in manufacturing; 10.6 per cent in construction and 9.9 per cent in mining.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
British Columbia	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended January 15, 1977		10,144	- 0.8	+ 2.0
Employed.....	January 1977	9,255	- 2.3	+ 1.2
Agriculture.....	" "	433	- 5.4	+ 4.0
Non-agriculture.....	" "	8,842	- 1.9	+ 1.3
Paid workers.....	" "	9,182	- 0.6	+ 11.1
At work 35 hours or more.....	" "	6,178	- 13.0	- 9.2
At work less than 35 hours.....	" "	2,586	+ 2.6	+ 37.2
Employed but not at work.....	" "	491	+ 32.3	+ 8.8
		(change in thousands)		
Unemployed.....	January 1977	889	+ 135	+ 89
Newfoundland.....	" "	29	+ 5	+ 4
Nova Scotia.....	" "	34	+ 2	+ 5
Prince Edward Island.....	" "	5	+ 1	-
New Brunswick.....	" "	37	+ 7	+ 7
Quebec.....	" "	274	+ 21	+ 33
Ontario.....	" "	289	+ 42	+ 16
Manitoba.....	" "	31	+ 7	+ 2
Saskatchewan.....	" "	19	+ 4	+ 1
Alberta.....	" "	50	+ 17	+ 7
British Columbia.....	" "	112	+ 20	+ 4
Without work, seeking work and available for work.....	" "	778	+ 9	+ 78
		percentage change		
INDUSTRIAL EMPLOYMENT (1961 = 100) ^f	October 1976	146.3	+ 0.3	+ 2.9
Manufacturing employment (1961 = 100) ^f	" "	128.6	- 0.5	+ 1.3
IMMIGRATION.....	First 9 months 1976	117,511	-	-
Destined to the labour force.....	" " "	48,590	-	-
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	December 1976	120	- 7.0	- 34.1
No. of workers involved.....	" "	45,352	- 11.6	- 45.2
Duration in man days.....	" "	258,990	- 47.3	- 76.5
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^f	October 1976	235.03	+ 1.3	+ 10.4
Average hourly earnings (mfg.) ^f	" "	5.92	+ 0.9	+ 13.0
Average weekly hours paid (mfg.) ^f	" "	38.9	-	- 0.5
Consumer price index (1971 = 100).....	January 1977	154.0	+ 0.9	+ 6.1
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^f	October 1976	152.2	+ 0.5	+ 6.3
Total labour income (millions of dollars) ^t	December 1976	9,153.2	+ 1.2	+ 16.6
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100).....	December 1976	121.0	+ 0.7	+ 4.7
Manufacturing.....	" "	119.4	+ 0.8	+ 3.4
Durables.....	" "	122.0	+ 1.7	+ 2.3
Non-durables.....	" "	116.7	- 0.3	+ 4.5
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	December 1976	17,658	-	- 11
Completions.....	" "	15,769	-	- 1
Under construction.....	" "	168,282	-	+ 15

* Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

† Advance data

‡ Preliminary

** Centres of 10,000 population or more

† Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, DECEMBER 1976

Period	Number beginning during month	Work stoppages in existence during month or year			Percent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971.....	547	569	239,631	2,866,590	0.16
1972.....	556	598	706,474	7,753,530	0.43
1973.....	677	724	348,470	5,776,080	0.30
1974*.....	1,173	1,218	580,912	9,221,890	0.46
1975*.....	1,103	1,171	506,443	10,908,810	0.53
1975 Month					
December*.....	39	182	82,632	1,099,310	0.64
1976**					
January.....	35	154	54,756	813,660	0.47
February.....	53	156	150,369	573,770	0.35
March.....	83	157	172,608	432,270	0.23
April.....	75	153	303,957	669,470	0.38
May.....	96	168	265,912	653,010	0.38
June.....	125	233	187,524	1,131,820	0.59
July.....	69	183	78,020	1,271,320	0.68
August.....	78	193	89,791	942,950	0.50
September.....	54	175	136,027	1,738,990	0.97
October.....	49	155	904,953	1,646,500	0.92
November.....	39	129	51,260	491,380	0.26
December.....	37	120	45,352	258,990	0.14
January-December 1976**.....		1,030		10,624,130	0.50
January-December 1975**.....		1,171		10,908,810	0.53

* Revised

** Preliminary

WORK STOPPAGES BY INDUSTRY, DECEMBER 1976 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Dec.)
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	0
Forestry.....	1	1	125	880	36,320
Fishing.....	0	0	0	0	350
Mines.....	1	4	347	7,260	570,310
Manufacturing.....	16	60	36,660	172,510	4,385,560
Construction.....	4	7	2,536	9,640	2,110,020
Transp. & Utilities.....	2	10	884	9,400	611,860
Trade.....	6	19	1,867	13,040	158,370
Finance.....	0	2	62	1,360	13,820
Service.....	4	12	2,253	39,060	1,155,680
Public Admin.....	3	5	618	5,840	84,140
Various industries.....	0	0	0	0	667,700
"Day of Protest".....	0	0	0	0	830,000
TOTAL.....	37	120	45,352	258,990	10,624,130

WORK STOPPAGES BY JURISDICTION, DECEMBER 1976 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Dec.)
		Number	Workers involved	Duration in man-days	
Nfld.....	4	4	271	340	126,050
P.E.I.....	0	0	0	0	28,230
N.S.....	2	2	623	1,300	193,080
N.B.....	1	1	800	300	241,840
Québec.....	14	61	11,413	141,790	5,514,020
Ontario.....	9	34	28,481	87,640	1,637,680
Manitoba.....	2	3	282	5,060	99,920
Saskatchewan.....	2	2	843	3,340	136,730
Alberta.....	1	6	563	11,960	110,020
B.C.....	1	4	1,677	6,160	1,472,200
Total, provinces.....	36	117	44,953	257,890	9,559,770
Federal					
Public Service(1).....	0	0	0	0	3,400
Federal Industries(2).....	1	3	399	1,100	230,960
Federal total.....	1	3	399	1,100	234,360
"Day of Protest".....	0	0	0	0	830,000
TOTAL.....	37	120	45,352	258,990	10,624,130

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202 page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1974-75 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1975.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada; a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States; the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's

participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31, 1967. (Changes in workmen's compensation laws are published yearly and are available free on request). (English or French). Price \$1.00. Cat. No. L34-1969.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue no. L34-23/1976

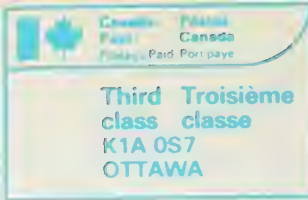
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 50,000 selected holdings of Technical Library. Accident Prevention Division, 1976. Free.

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**Labour
Canada**

**Travail
Canada**

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THE ECONOMY

Budget highlights

Finance Minister Donald MacDonald has introduced a \$41.9 billion federal budget for the 1977-78 fiscal year, containing both tax incentives to encourage capital investment and some tax concessions to individual employees and low-income parents. In his March 31 budget speech to the Commons, he said the budget endeavoured to maintain the current underlying trend to lower inflation and also to encourage a steady and non-inflationary growth in the economy in order to reduce unemployment.

He said also that although inflation has subsided, it would be neither "feasible" nor "desirable" to start phasing out wage and profit controls at least until Oct. 14, 1977, unless both business and labour showed, in a coming series of consultations that they were prepared to support voluntary restraints.

For individual workers, the budget increases the employment expense tax deduction to a maximum \$250 a year from the current \$150. And for parents, an additional tax credit is provided of up to \$50 for each dependent child under 18. The two changes, coupled with existing personal income tax deductions, will mean no federal income tax at all for two-children families earning under \$7,360 a year or four-children families earning under \$8,295.

For business, the investment tax credit which was to expire June 30 is extended for another three years and will include capital and operating expenditures on scientific research and development. The credit is to be increased to 7.5 per cent from 5 per cent in slow-growth regions and to 10 per cent in the slowest growth regions. But it remains at 5 per cent elsewhere.

Incentives for business and investment also include assistance for petroleum exploration, higher tax deductions for stockpiled goods and tax breaks for rail transportation: There will be an extra depletion allowance of two thirds for a Canadian oil and gas well costing more than \$5 million to drill. The capital cost allowance for railway track and grading expenditures rises to 8 per cent from 4 per cent. And companies will be able to deduct 3 per cent of tangible movable property at the start of a fiscal year for profit calculation purposes.

Capital gains on sales of a business or farm will become tax exempt if the money is reinvested in a similar business. However, the rules governing Registered Retirement Savings Plans and Registered Home Ownership Savings Plans are being tightened to block loopholes.

Budgetary revenues are forecast at \$34.7 billion in the 1977-78 fiscal year, up 6.6 per cent from the previous year, while the \$41.9 billion in expenditures represents an increase of 6.9 per cent. Personal income taxes collected

are expected to rise by 4.9 per cent to \$15.6 billion and corporate income taxes by 10.6 per cent to \$5.8 billion.

MacDonald anticipates slow economic growth this year — a 4 per cent real increase in the gross national product, and a 7 per cent inflation rate.

Reaction to the budget by business and labour differed greatly. Sam Hughes, executive director of the Canadian Chamber of Commerce, described it as "very prudent," saying it did a good job of walking the fine line between inflation and unemployment." The Chamber was "particularly gratified by the announcement that there will be more rigorous control of government spending." Hughes said also that the Chamber supported MacDonald's proposal to phase out the controls rather than end them abruptly. But Henry de Puyjalon, President of the Canadian Construction Association, described the budget as "disappointing...a safe middle-of-the-road route...rather than the major overhaul that is required," and President Joe Morris of the Canadian Labour Congress said the budget's over-emphasis on investment incentives would do nothing to pick up the slack in the economy. Labour was also disappointed "at the lack of a clear commitment concerning the date the government intends to abolish controls."

WORK STOPPAGES

1976 time loss

Despite the Oct. 14 National Day of Protest, Canada recorded less direct time loss from work stoppages due to strikes and

lockouts in 1976 than it did in 1975. The 1976 figure was 10,624,130 — including 830,000 man-days lost by workers involved in the National Day of Protest — compared with 10,908,810 the previous year.

There were 1,030 stoppages during 1976, involving 1,582,631 workers, but more than one half the workers — 830,000 — were accounted for by the National Day of Protest. In 1975, there were 1,171 stoppages involving 503,443 workers.

In relation to total estimated working time of non-agricultural paid workers, the 1976 time loss was equivalent to 50 man-days per 10,000 man-days worked, down from 53 the previous year.

In December 1976, the Canada Department of Labour recorded the lowest monthly figure for time lost since early in 1973 — 258,990 man-days from 120 work stoppages involving 45,352 workers. The November 1976 figures were 129 stoppages, involving 51,260 workers and 491,380 man-days.

Twelve work stoppages involving 500 or more workers accounted for 70 per cent of the workers involved and 47 per cent of the duration in man-days in December 1976.

LABOUR COSTS AND EARNINGS

Canada's position 1964-74

In terms of keeping down total labour costs, including fringe benefits, Canadian manufacturers improved their competitive position in world markets considerably during the 10 years ended in 1974, a British study indicates. At the same time, Canadian workers in

manufacturing made the lowest gains in real earnings of those in any member country of the Organization for Economic Co-operation and Development except the United States, Canada's principal trading partner.

G.F. Ray of the National Institute of Economic and Social Research analyzed data gathered by the International Labour Organization and the Swedish Employers' Confederation Research Department, to compile an index of total hourly labour costs, including "social charges" or fringe benefits borne by the employer, during the 10-year-period.

Based on the British hourly labour cost equalling 100, the Canadian index dropped by 6 points from 192 in 1964 to 186 in 1974. Canada had the second-highest index, behind the United States, at the start of the period, but the Canadian index had dropped to fourth place by 1974, behind Sweden, 208; the United States, 194; Norway, 189 and Denmark, 188. And Canada's hold on fourth place was somewhat precarious, since its index was just one point above fifth-place West Germany, with 185, and two points above The Netherlands, in sixth place at 184.

The increase in real earnings in Canadian manufacturing — relating hourly earnings to changes in the consumer price index — was 3.1 per cent during the period, while the U.S. increase was only 0.9 per cent. However, the Canadian and U.S. increases trailed behind all the other OECD countries where real increases ranged from 3.6 per cent in Sweden to 6.6 per cent in Italy. Britain's increase in real earnings was 4.1 per cent.

Ray's survey was published in the *National Institute Economic Review*. In it, he acknowledges, of

course, that hourly labour costs "are only one component in the complex network of inputs, output, productivity, pricing policy, and many other factors, many of them unquantifiable, which eventually — and in combinations which are incalculable — lead to success or failure in the market."

WAGES

Canada — U.S. comparison

Statistics Canada's preliminary figures for November 1976 show average hourly earnings in manufacturing in Canada 10.7 per cent higher than the average reported in the U.S. — \$5.98 against \$5.34. However, caution is needed in interpreting the figures because they are not strictly comparable. The Canadian survey excludes firms employing fewer than 20 employees while the U.S. survey covers establishments of all sizes. The figures for both countries are gross earnings before taxation and unemployment insurance deductions, but exclude fringe benefits which are considered to be higher in the U.S. The Canadian average first surpassed the U.S. average in 1974. From November 1975 to November 1976 the Canadian average rose by 13.3 per cent compared with a 9.3 per cent increase in the U.S. average.

PRODUCTIVITY

Labour hoarding

Labour "hoarding — employers maintaining larger work forces than they really need — may be an important factor in Canada's relatively poor productivity record in

recent years, according to a study published in the *Bank of Canada Review*.

Larry Blain, a researcher for the Bank, notes that in five previous recessions or slowdowns that occurred since the early 1950s, employers were rather slow to adjust employment to the drop in production when it had been their experience after previous recoveries that capacity utilization reached very high levels and strains developed in the labour markets.

Two developments in the labour market indicate that labour hoarding "could indeed have been greater than usual" since early 1974, he observes. First, there was a much greater drop in the average work week in manufacturing than usually takes place during a recession — suggesting that hours were being adjusted rather than employment. Secondly, the rate of unemployment among males over 25 increased considerably less than that among women and young people of both sexes — which could be interpreted as "a reluctance to release experienced workers in what was forecast to be a mild recession."

He concedes that the evidence for labour hoarding is merely "circumstantial." However, "unfulfilled expectations offer possible grounds for thinking that it did occur." The economic performance in 1974 fell short of the consensus of published forecasts — 3.2 per cent growth instead of 5 per cent — "and business could thus have erred significantly in estimating its labour requirements through this period." And an unintended accumulation of labour could well have continued into the recovery "since the growth that occurred was, again, substantially below forecasts.

QUALITY OF WORKLIFE

Workers lukewarm to enrichment

To many workers, "job enrichment" programs appear suspect as a managerial initiative, according to Howard R. Smith of the University of Georgia's department of management. He also says such programs have a difficult time overcoming the hostility of lower-level supervisors to them.

Writing in *Personnel*, a periodical of the American Management Associations, he also says that management, in introducing job enrichment, frequently finds it hard to accept the workers as "bargaining partners" in developing programs. He also describes enrichment as a gift being offered to people long suspicious of gift horses.

Hence, to the employees enrichment may appear as a burden to be assumed in exchange for compensation, not valuable in itself. It may make work more interesting, but it may also make it harder. So, Smith concludes, many employees may prefer "life enrichment" — high wages, more time off, and even job changes.

Motivation profitable

A job enrichment program has produced savings of \$1.63 million at the Air Logistics Centre at Hill Air Force Base in Ogden, Utah, according to *World of Work Report*, monthly periodical of Work in America Institute, a non-profit agency devoted to improving the quality of life in the workplace. The program, designed to combat

worker boredom and inefficiency, was developed by Dr. Frederick Herzberg, professor of management at the University of Utah, and was based on his theory that for a job to be meaningful it must contain certain "motivators" that meet the worker's need for psychological growth, especially achievement, recognition, responsibility, advancement, and opportunity.

According to Herzberg, such motivators are realized through the "ingredients of a good job" — direct feedback of performance results, a personal involvement with the work environment, a learning function, the opportunity for each person to schedule his own work, unique expertise, control over resources, direct communication, and personal accountability. The enrichment program is implemented through *direct changes in the work itself*, which permit the motivational factors to emerge.

According to *World of Work Report*, the program's 28 projects are generating dollar benefits in the form of reduced sick leave, lower personnel turnover, reduction in man hours, overtime and rework, and savings in cost of materials. One of the most successful of the projects involved the testing and repairing of navigational equipment on F-4 aircraft. Before the program, production line people repaired navigational systems on their assigned craft before flight testing. But any defects were subsequently analyzed and repaired by flight personnel. Now mechanics are following their planes out of the hangar to the test flight and are trained in test flight analysis. In a matter of weeks, test flights were reduced by an average of one-half flight per aircraft, at an estimated savings of \$85,000 within a few months.

HEALTH & SAFETY

Asbestos standards wanting

An Oxford University study suggests that current British, United States and some Canadian standards of exposure of workers to asbestos are not stiff enough to protect them from lung cancer. However, it will take from 15 to 20 years to verify the findings, based on a mathematical analysis of new information on dust levels in the British industry.

Julien Peto, one of the researchers, says they predict that at currently accepted levels of exposure, seven asbestos workers in every 100 who work a lifetime in the industry — or one in 14 — will die of cancer caused by inhaling asbestos fibres.

The current permitted standard in both Britain and the U.S. is two asbestos fibres over five microns in length per cubic centimetre of air. In Canada, the standard varies by province. In Ontario, it is two fibres. In Quebec, where 80 per cent of Canada's asbestos is mined, the current standard is 12 fibres and the government's target is to have it reduced to five by 1978.

JOB DESIGN

Redesign at Air Canada

Job redesign can successfully bring together the social and technical aspects of work for greater productivity, says Philip J. Chartrand, a Canadian expert in organizational behaviour; but it must be a team effort involving

employees. Writing in *The Business Quarterly*, Chartrand describes two projects at Air Canada that support his contention.

One project concerned ramp crews at Dorval airport, Montreal, whose duties are to guide the plane to the appropriate gate; unload passengers and baggage; clean and service the aircraft; ensure that needed provisions are on board, and push the plane into takeoff position. As the work was structured, the crews had to move about the airport to the gates at which the planes were landing, carrying with them the needed equipment, including safety equipment. Moving was hazardous, especially on icy days, and there was "tremendous competition" at peak periods for the safety equipment each crew had to assemble — earmuffs to deaden the noise of the planes, and the fluorescent garments that enabled the crews to be seen easily.

"Once assembled, they would literally stand guard over it," Chartrand reports. "For example, it had been known that, if three of a crew went for a coffee break, they would leave the fourth crew member to guard the equipment. Obviously the system was not working well and this was reflected in some eight to 10 grievances daily, mostly on safety issues."

He established with the union that the problem was not just one of enforcing safety rules but a much more fundamental one of the technology involved in doing the job — "it was, in short, a socio-technical problem."

A team of both management and union members met several times, visited other airlines and received input from the ramp workers, and finally came up with the recommendation that the basic method

of organizing the ramp operation be redesigned. "The team recommended that we use what is generally known in the industry as zone control," Chartrand writes. "Instead of bringing the men to the aircraft, the aircraft would be brought to the men." A specific team — of men, supervisors and equipment — was assigned to particular zones of the airport and was responsible for handling all flights in those zones.

The results of the changeover were positive: Work was done faster and while it was necessary to increase the number of direct employees, the number of supervisors was reduced. Reductions in fuel consumption were conservatively estimated at a saving of \$80,000 a year, "which offset the increased manpower costs."

Perhaps equally important is the fact that the new system provides for a more realistic form of accountability: "If delays occur, which are the responsibility of the ramp people, we know why, because we can more readily locate a supervisor and his crews and, as a result, we can communicate to the passengers the cause and the expected length of a delay, which allows them to make alternative arrangements."

The second job-redesign project, which was equally successful was at the "honeycomb shop" in the maintenance branch. Honeycomb is a light, expensive aluminum fibreglass material used mainly on the floor, nose and wing tips of aircraft. It is difficult to work with and requires a great deal of skill to use it in maintenance work on planes.

Once again, the project team includes mechanics who work with the material. They studied four possible changes — to do nothing, to subcontract the work, to expand

facilities and to certify the shop, which would mean purchasing \$150,000 worth of new equipment to bond the aluminum and fibre-glass, but which also offered the possibility of contracting work from other airlines. After a review of the costs involved, Air Canada adopted their recommendation that the shop be certified. At the time Chartrand wrote his report, the new equipment was on order and he expected the improvements would include higher productivity and better working conditions, a 60-per-cent annual return on the \$150,000 investment, and an ability to expand Air Canada's markets as well as those of all the other Canadian air carriers.

Chartrand observes that attempts at job redesign have traditionally been seen as a management responsibility in North America — "probably because we do not have the co-management arrangements which, to date, have been successful in Germany and Sweden." However, the Air Canada successes were made possible by "tremendous support" from its largest union, the Association of Machinists and Aerospace Workers. "They have accepted the idea that job redesign is a way of life, provided the workers are involved," he observes, noting that an addendum to the current collective agreement "confirms the union's commitment to the concept of job redesign."

EMPLOYMENT

On-the-job training

A proposal to resolve industry's acute shortage of skilled labour has been put forward by G.A. Paylor, personnel assistant at Canadian Industries Limited's

agricultural chemical division. His solution, published in *The Canadian Personnel and Industrial Relations Journal*, would make co-operative college-industry training available to large numbers of young, able-bodied Canadians who are currently unemployed.

But "we will first have to overcome the traditional bias of the employer regarding students," Paylor says, not by inviting the employer to the school but by placing the student in the employer's environment. "Some areas have 'plant observation groups', students who are permitted to come to a company's place of business for a day or a week and observe. This may help the student to make up his mind about his future, but his exposure is exactly that of an observer, and does nothing toward his hiring prospects."

Under Paylor's proposal, applicants for trades training would be selected once a year by an application board which could include representatives of industry. "Using the co-op engineering plan in use in places like Waterloo University, the student would spend six months in the local community college and six months in industry, over a four-year period," he writes. A series of tests, combined with progress reports from industry would keep all concerned aware of the trainee's progress.


To overcome the problem of providing instructors, "it would be necessary for an allocation by: (1) either industry to supply suitably trained, full-time instructors from the work force to monitor training in plant; or (2) for a college-appointed instructor to work with the trainees on the job. The former seems the sounder approach."

As training continued, the trainee would become "not only plant

oriented, but better able to demonstrate to the employer his ability to function as a craftsman," he contends. "With enough participating companies, the trainee would be able to circulate among at least four during his training, giving him a broader choice of employment, once trained. He would have demonstrated his abilities to the potential employer, making his job prospects better." In turn, industry would gain "from a higher standard of candidate and a wider selection, and be able to judge from a proven work record." Plant orientation "would be a simple matter."

Paylor also has a proposal for meeting the question of costs: "At present, money is disbursed to industry or the community colleges for training. Some revamping of the funding may have to take place, but since most of the existing machinery would accommodate a program such as this, little reorganization should be necessary. Industry could be expected to contribute on the basis of skills and the production of the trainee as he became progressively more productive. A floating work force of this kind presented to industry during shut-down and re-fit times, would be welcomed since it could ease the work load at such times."

He proposes that the trainee be offered financial assistance in the early stages "but as he becomes more productive his value to the company should be accepted by the company and this would provide him with his own subsistence on a gradual and escalating scale."

And at the end of his training "the graduate should have the same freedom to choose his employer as the employer has to choose his employee." 

Youth unemployment: an explosive situation

by Roy LaBerge

Canadian policy makers have been given this dire warning: Severe unemployment and underemployment of youth have become chronic problems of our society. If not resolved, they will become "explosive" — economically, politically and socially.

That admonition comes from no radical youth group but from the Canadian Council on Social Development, a respected non-profit organization supported in large measure by grants from the federal and provincial governments. The Council has been advising governments on social policy issues since it was founded in 1920 as the Canadian Council on Child Welfare. Its board of governors is made up of representatives of business, government, religion, education, organized labour, social agencies and professional organizations.

The Council deplores "the haphazard manner in which federal, provincial and local governments intervene with the problem," as well as the "prevailing public attitude, which ranges from one of indifference and apathy to blaming youth themselves."

The unemployment rate for young people has traditionally been higher than for the other age groups in Canada, but the difference has been increasing in recent years. In 1953 the rate for the 15-24 year group was 1.8 times the unemployment rate for people 25 and over. By 1964 it was 2.1 times and in 1975 and 1976 approximately 2.5 times.

Roy LaBerge, a journalist and former editor of Canadian Labour, teaches social science at Algonguin College, Ottawa.

Youth unemployment and underemployment, like so many other situations aggravated by the current economic slowdown, is not a uniquely Canadian phenomenon. The International Labour Organization estimates that there are 7 million unemployed people under 25 in the 24 countries of the Organization for Economic Co-operation and Development. "Even if the recession miraculously disappeared overnight," an ILO study concludes, "there would still be large numbers of youths without jobs walking the streets, with little hope that something will turn up."

The OECD agrees that the recession has merely accentuated a chronic problem. "The situation threatens to continue even when employment picks up again, for firms will tend to give preference to experienced personnel in rehiring," reports the *OECD Observer*.

In the United States, one out of five teen-agers is unemployed, and for blacks, the proportion is one out of three, according to the

"Young people are actually under-represented among unemployment insurance recipients"

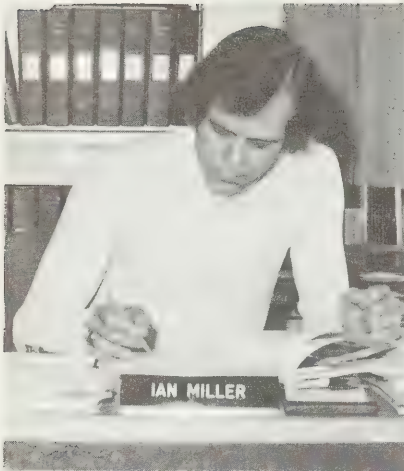
American Federation of Labor-Congress of Industrial Organizations. "This breeds frustration and often leads to anti-social activity," warns a February 28 statement adopted by the AFL-CIO executive council.

In Canada, the Council on Social Development has put forward several proposals, including a full-employment policy and a national youth agency to focus on long-term solutions. But it is worried that initiatives may be "discarded or held in abeyance because of general uncertainties about constitutional division of responsibility."

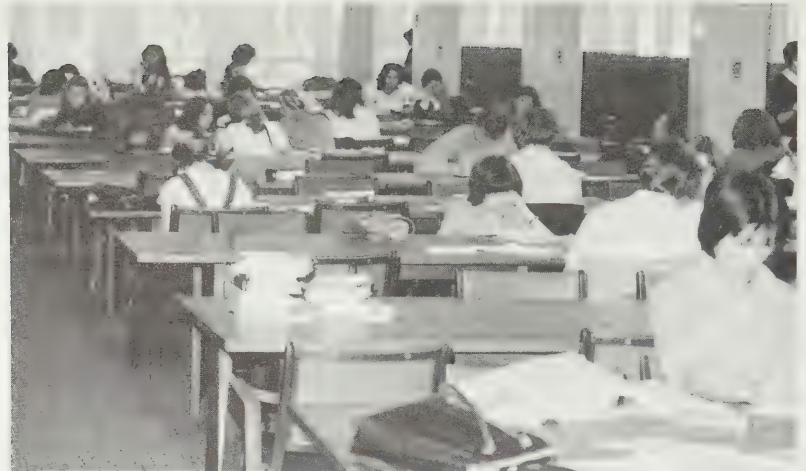
The concern of the Council's board of governors is expressed in a background paper issued March 15 with a source book on youth and employment prepared by Kevin Collins, the Council's program director for income security.

Their release followed a two-day meeting in January of 60 persons from business, government, organized labour, education, social welfare and youth organizations. The Council brought them together to "generate a dialogue" among people and organizations concerned with youth employment "who do not interact on a regular basis." Another objective was to help the Council define issues and "identify bottlenecks" to action.

The participants agreed that information on the problem of youth and employment was lacking because it tended to be



Ian Miller, manager, Manpower Centre, Carleton University: "We need more research, better projections."



The working poor of tomorrow?

buried in more general information "such as unemployment rate data for the total labour force." They also agreed that the forum for debating social policy issues should be expanded. Hence the Council released the source book and the board of governors' statement hoping they would "accelerate an increase in public and political will with regard to youth and unemployment."

The day they were released, Statistics Canada issued its unemployment figures for February — a record high of 932,000 officially reported as unemployed; a seasonally adjusted unemployment rate of 7.9 per cent of the work force, and a rate of 14.5 per cent for males aged 15-24 in the work force, and of 14.2 per cent for females 15-24. In March, unemployment climbed to 8.1 per cent of the work force, 14.5 per cent for the 15-24 age group.

But the official statistics don't tell the whole story, the Council statement says. The Labour Force Survey uses the criterion of "actively seeking work" to determine a person's status as unemployed. But this eliminates

"large numbers of young people who may need jobs and are not actively looking for them," the Council protests. Another criticism is that the data do not incorporate the concept of "underemployment" — the situation "where a job is held which falls short of wants or ability."

...the data do not incorporate the concept of "underemployment"

The Council sees a much more important indicator of the employment-related "malaise" besetting youth in the incidence of young people in full-time jobs that are "far below their capabilities and not part of any career ladder." It finds at least an indication of the extent of that problem in a 1973-74 survey by the department of manpower and immigration which indicated that almost three-quarters of workers aged 16 to 19 were not in "career jobs" but wanted to be.

The Council acknowledges that some people might discount that

finding on the grounds that young people have "unrealistic expectations and exaggerated ideas about their abilities." Nevertheless, it was "particularly disturbing" that only "a minority of young people felt strongly that they *could* get a better job than the one they had."

Spokesmen for the department of manpower and immigration have maintained that there is no acceptable way to measure underemployment, but a proposed measurement may be forthcoming from a study now underway at Statistics Canada. A report in the Toronto daily *Globe and Mail*, which, the newspaper says, was based on a 302-page draft of the study, assumes that a university graduate was underemployed if he or she made less than \$7,000 a year in 1974 or less than \$8,000 in 1975. On that basis, according to the newspaper report, 11.9 per cent of 1974 graduates were still unemployed four months after graduation and another 17 per cent were underemployed. A year after graduation, 7.2 per cent of the same class were still unemployed and a further 11 per cent still underemployed.

Underemployed intelligentsia

An article in the U.S. quarterly *Dissent* says the career frustrations of a growing army of unemployed and underemployed college and university graduates are producing a "central dynamic for social discontent."

One of the major ironies of our time is that higher education raises the aspirations of millions while the job market frustrates them, write Paul Blumberg and James M. Murtha. If recent trends continue, a college education, "which for decades has been part of the American [and Canadian] dream, may lose its appeal."

The process may already be under way: "While the proportion of college-age men has increased steadily in recent decades, the early 1970s witnessed an unprecedented decline in the proportion of such men pursuing higher education — from 45 per cent of 18 and 19 year olds in 1970 to 33 per cent in 1975."

The authors say poor employment prospects may lead to low morale among faculty and students, and that the U.S. may come to share a "paramount feature" of underdeveloped countries such as India and Mexico — "the presence of a drifting, aimless, underemployed intelligentsia."

They say the evidence accumulating in the last few years leads to these "inescapable" conclusions:

- The tremendous growth of college graduates since the 1950s

has culminated in a labour market composed of increasing numbers of graduates with radically diminished job opportunities.

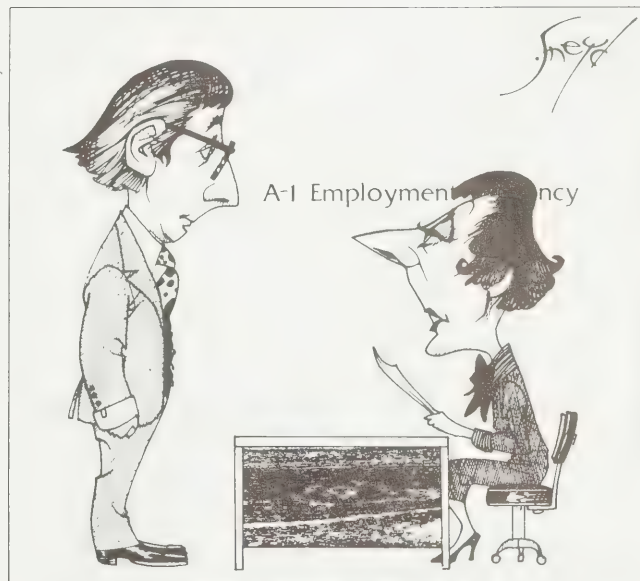
- Those sectors of the economy that have traditionally employed large numbers of college graduates — such as high-technology manufacturing, education and the other professions, federal public administration, finance and insurance — have not been expanding adequately to absorb the college-educated mass.

- The collapse of the college job market, especially since the beginning of this decade, is reflected in declining opportunities for profes-

sional and managerial positions, a great rise in the proportion of graduates working at clerical and sales jobs, a decline in the real starting salaries of college graduates, narrowing of the traditional income differential between high-school and college graduates, and the growth of substantial unemployment among recent graduates.

The authors say the crucial question is not "whether" massive underemployment of graduates can be avoided but rather "where the blame will be placed," and that many graduates may turn their blame outwards" to what may be vaguely called 'the system'." [g]

Toronto Star Syndicate



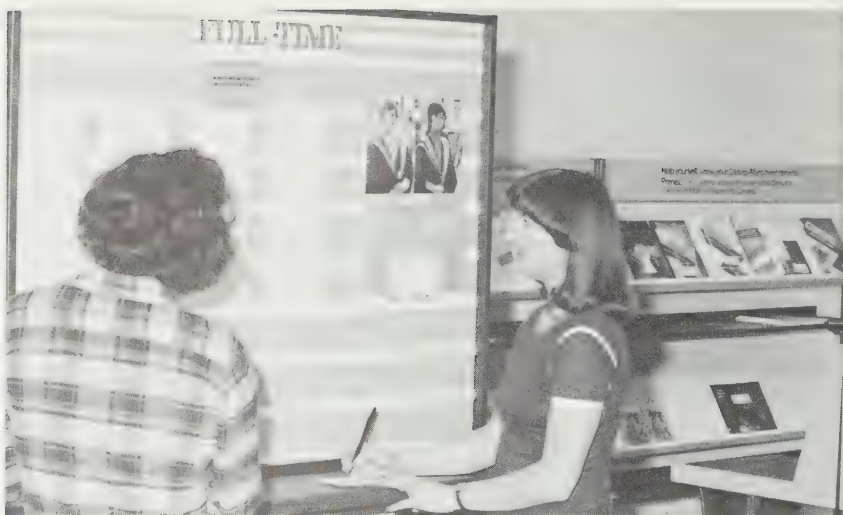
"There's a vacancy for a dish washing machine operator. Do you have a degree in electrical engineering?"

Carol Goar, a staff writer for *The Citizen*, an Ottawa daily, had no difficulty finding graduates whom she considered underemployed. Her interview subjects in a March 5 news feature, entitled "That's the waste of under-employment," included a taxi driver who kept his degree on the dashboard, a translator working as an information clerk in an insurance company's claims office, a qualified jet pilot driving a taxi, and a doctoral graduate in chemistry doing post-graduate study because he could not get a job and had "given up hope of ever becoming a professor at a Canadian university."

The Council's board of governors challenges several "myths" about youth and their employment, and calls on governments and the public to expose them "to the rigours of objective critical examination." Some myths, and the Council's refutation of them:

- *The young today are over-educated.* "While average educational attainment has increased compared to that achieved by previous generations, a disturbing proportion of the young still have low achievement. The latest data available to debate this point in an objective way are from the 1971 census. The majority of the population 15-24 at that time was not attending school full time. For the 15-19 year age group, almost 60 per cent out of full-time schooling had no more than grade 10. The comparable ratio for the 20-24 year olds was almost 40 per cent. Nor are these educational deficiencies made up through training — 93 per cent and 84 per cent of the 15-19 year olds and 20-24 year olds respectively had no other training."

- *Youth unemployment is short-term compared to unemployment of the rest of the population.*



Searching for a job

"Again, however, the data are not strongly supportive. In 1975, for example, while 27 per cent of all the unemployed had been unemployed for 14 weeks or more, the proportion for young people was only slightly lower at 23 per cent.

"unemployed young people today may simply be the working poor of tomorrow"

- *Much youth unemployment is really 'paid leisure' because financial support is available from parents or unemployment insurance.* "Young people are actually under-represented among unemployment insurance recipients when compared with their share of total unemployment. There is a simple reason for this. Many of the young unemployed are first-time job seekers with no insurance credits. Moreover, in view of current and prospective slow growth in family income generally, parents may be less willing and able to support unemployed young

family members. Regardless, both arguments ignore the point that dependence on either source runs counter to this age group's strong desire for independence."

- *Unemployment among young people is natural and positive — it represents "healthy experimentation" or "paying one's dues."* "With regard to the first, there is an onus in showing why one cannot appreciate a good job until one has experienced a series of bad jobs. The second has a more moralistic tone, implying that one should not get a good job until one has gone through a series of bad jobs."

- *The problem cannot have become more serious in the 1970s because young people are less volatile and demonstrative than they were in the 1960s.* "We must question how representative of young people our images of the 1960s are. Visible forms of protest such as campus revolt were concentrated among young people from upper-income families. For the silent majority of youth — from middle and lower income

families — behaviour has not changed, although economic prospects and job markets have deteriorated."

● *The dynamics of demographic change will drastically reduce the problem as the population ages and young people become less important numerically.* "Even in a strict numerical sense, this is an over-simplification. While the 14-19 age group is declining in numbers, the 20-24 age group will continue to grow into the 1980s. Two more fundamental objections to this stance can be made. Young people will grow older, but a pattern of job experience today will be transmitted into the future — unemployed young people today may simply be the working poor of tomorrow. In addition, there are no assurances that the age of labour

"Without job opportunities, the best training and counselling programs will be futile"

scarcity that is supposed to emerge in the 1980s will ever arrive. Recent experience with the 'oil crisis,' for example, should inject a greater degree of humility into economic projections. Finally, even if over-all employment conditions improve, the assumption that young people will benefit commensurately is dubious. The unemployment rate for young people has deteriorated for some time relative to older persons, and may continue to do so."

In their statement, the Council's governors ask that highest priority

be given to a full-employment strategy for Canada. "Without job opportunities, the best training and counselling programs will be futile," the statement argues. Moreover, lines of least resistance — such as efforts to lower young people's expectations, or compulsory retirement of older workers to help the younger workers — are likely to be alienating and divisive."

The council wants more resources devoted to finding long-term solutions, and a national youth agency "bringing together input from the manpower and education systems, industry, labour and young people themselves," the focus to be on "long-term and structural" solutions.

And it is worried about the "back

A Statistics Canada study, released early in May, paints a gloomy picture of future job prospects for post-secondary graduates. "The labour market for many post-secondary graduates does not appear promising for the next 10 to 15 years as their numbers continue to grow until the mid 1980s," the study notes. "Thereafter, new graduates may be competing with graduates of previous years to improve their position." It could be 1990 before the over supply situation disappears.

While the prospects are expected to vary from discipline to discipline, "job seeking is likely to be troublesome for graduates of general disciplines that do not prepare students for a specific career."

Statistics Canada says persons with post-secondary education "could occupy jobs that require less formal education. By accepting such jobs, they could displace persons with lower levels of schooling."

Among the possible consequences:

- a narrowing of the income gap between graduates and non graduates;
- a closer linkage of some post-secondary education to the labour market;

- a reduction in public aid to higher education;
- greater emphasis on the traditional role of higher education as a means of

intellectual development.

The study asks whether the gap between job expectations and opportunities will result in "radicalization".



Toronto Star Syndicate



"Looks like it's going to cost more than ever to learn to be unemployed."

to basics" movement in education. It may be based on "false perceptions of students' basic skills," and, if pursued over-zealously "may accelerate the drop-out rate of the most disadvantaged students."

The Council recommends closer integration between the world of education and the world of work, but recognizes that the "insecurity" of the educational system in a period of declining enrolment may be a stumbling block to this. It expresses concern about the "inadequate" availability of counselling services, and says the answer need not be more professional counsellors in the schools but "new efforts that recognize the students' family context, for example, through public television."

Occupational forecasts should be "de-politicized and de-mystified. In terms of the former, current forecasts of the department of manpower and immigration are based on a 'labour scarcity by the 1980s' assumption that may never materialize. With regard to the latter, the department's Canadian Occupational Forecasting Program has a format that is difficult for teachers and counsellors to understand, let alone young people."

Although the Council appeals for "full employment strategies," its proposals for employing young people are less specific than those of either the ILO or the AFL-CIO. However, those specifics may be part of "further work in this area" and a "detailed policy statement" which the Council promises to issue later.

The AFL-CIO proposed \$30 billion in direct job-creation programs, including an expansion of federal youth programs such as the Job Corps and the Neighbourhood

Youth Corps. This, it said, would provide directly about two million jobs "and hundreds of thousands of additional jobs as the purchasing power they create spreads through the economy." The AFL-CIO also promised to "work with the secretary of labor to seek new programs to help solve the structural unemployment problems of young people."

Occupational forecasts should be "de-politicized and de-mystified"

The ILO study also proposed direct employment measures, including the creation of small cottage industries, especially in rural areas. But it called also for a change in attitude by employers, complaining that they frequently reserve particularly dirty or monotonous tasks for young workers. This, in turn, results in disenchantment among young people. They enter employment hoping to play a full, adult role, but find that "older workers tend to guard their preserve jealously." The results, says the ILO, are "apathy, higher absenteeism and a tendency to switch from job to job, with no real professional interest."

"If a major proportion of the young find themselves incapable of accepting conditions of life and work offered by society, it is these conditions which should be questioned, not the attitude of youth," the ILO report commented.

A call for a Canadian direct-job-creation program has been put forward in a column by Anthony Westell, a writer for *The Toronto Star*. He proposes two steps to promoting full employment without inflation. First, the government would "seek a deal with the unions: full employment

in return for wage restraint." The second step would be to create more public-service jobs. This, Westell says, would reduce the need to over-stimulate the private sector.

(U.S. research suggests that when the private sector is stimulated to the point that all the workers considered less desirable — women and youth — are employed, an excessive demand is automatically created for prime workers, thus pushing up wages and stimulating inflation.)

"It is commonly said that jobs in the public service are not real work — that they create costs rather than produce new wealth," Westell writes. "But this is not necessarily so. The police are a vital public service and we need more of them; the armed services are short of manpower to carry out their assigned tasks; the postal services can be improved, to cite only a few examples."

Westell agrees that this won't be easy, but "it's probably the only way, at least in the short term, to soak up unemployment without placing an undue strain on the economy."

What about the cost? He notes: "The unemployed have to be supported somehow if they are not to starve, and paying them wages is surely preferable to paying social security benefits."

Direct job creation may not be "the long-term and structural solutions" the Council says are needed. But as an interim measure, it may at least postpone the economic, political and social explosion that may result from the continuing unemployment and underemployment of hundreds of thousands of educated and frustrated young Canadians. [9]

Labour cost and employee income

by Frank R. Anton

The notion that the cost of labour employed in the production process should be classified in the short run as a variable cost is implicit in classical economic theory. Such costs were assumed to vary directly with hours worked and the volume of production. Fixed costs, on the other hand, were those that were assumed to be invariant regardless of the volume of output produced but that could change in amount over time due to price or market fluctuations.

There is growing recognition that certain costs incurred in the hiring and training of workers and in the non-wage benefits paid to them should be formally differentiated from direct wage payments. While the grouping of wage and non-wage payments under one heading may be convenient for accounting purposes, economists argue that the placing of certain short-run labour costs into an arbitrary variable category can be misleading for decision making. It is therefore proposed that establishments should clearly separate labour cost and employee income into 'variable' or 'fixed' since a growing proportion of production costs now fall in the latter category and thus represent a kind of fixed cost rather than a variable cost to employers.

Workers are said to possess a 'degree of fixity' in an establishment (depending on the proportion of 'fixed' costs in their income) that accordingly influences employers' hiring decisions and in turn the short-run demand for the services of different types of labour. If this assertion is in fact

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correct, then implicit in it are a number of important and controversial questions such as what 'best' approach employers should follow in financing on-the-job training? Are overtime, layoff and termination practices in need of revision? Are government-sponsored manpower and training programs likely to benefit private establishments more than the individuals (and society) they were designed to help?

Fixed costs as they relate to the use of labour's services may be defined as those that vary less than proportionately with hours worked. They include turnover costs and certain non-wage benefits. Turnover costs are typically those involved in the hiring, training and severance of workers. Included in these are advertising, interviewing and processing expenses, as well as the cost, where applicable, of termination interviews and severance payments. Since more highly skilled jobs ordinarily require greater training and are usually associated with higher interviewing and recruiting costs, such costs will tend to rise with skill levels.

There is growing recognition that certain costs incurred in the hiring and training of workers and in the non-wage benefits paid to them should be formally differentiated from direct wage payments

Similarly non-wage benefits tend to increase with qualifications. Such benefits are direct (or indirect) income supplements over and above normal labour compensation. When all these costs are calculated as dollar payments per employee, most of them may be considered 'fixed' because their total value is not related to hours worked.

The variable cost of labour consists of direct wage payments, still the largest component of labour costs of production. But with the continuing rise of non-wage benefits as a proportion of total employee compensation, and the growing significance of 'fixed' turnover costs (including absenteeism), there is a need to analyze and reconsider the economic and institutional implications of these elements, not only because of their effects on the short-run demand for labour but also on conventional thinking regarding tax-supported manpower policies. In an attempt to shed light on this controversy, our study sought to observe labour market behaviour in Canada and to consider the implications of the above assertions. We raised such questions as:

- Why does total employee compensation sometimes differ among workers with similar skills?
- What criteria, if any, influence workers' choice of non-wage benefits over direct wages and vice versa?
- Why do turnover and unemployment rates sometimes differ quite substantially among certain categories of workers?

● In the absence of collective agreements, why are some employees within the same firm subject to different layoff and recall decisions, or even selected for overtime in a discriminatory manner?

Although often hindered by imprecise and inadequate data, results lend support to the view that certain groups of workers in the Canadian labour force do indeed appear to have a higher 'degree of fixity' (and therefore greater job security) than others because of the fact that a higher proportion of their total compensation relative to other groups of workers falls into the 'fixed' rather than the 'variable' category. And while common sense would lead most observers to this conclusion, its implications are less obvious and controversial and may well require some fresh thinking on several aspects of private and public employment policies.

It is not surprising that differences in unemployment and turnover rates among different groups of workers in Canada can be attributed in part to differences in 'degrees of fixity' based on labour costs and total income in different industries. This observation has long been noted for production and non-production labour — the most obvious case of two groups that statistically at any rate are considered to embody different degrees of fixity. There is also some evidence to suggest that the magnitude and types of non-wage benefits awarded to employees depend on this degree of fixity in the establishment. Of course numerous intervening variables such as government legislation and union settlements must be recognized as having a significant impact on short-run employer behaviour. For analytical purposes, these factors were considered as

Non-wage benefits now account for more than 30 per cent of gross payroll costs in Canadian manufacturing

'setting the stage' for improved non-wage (fixed-cost) benefits.

The magnitude of non-wage benefits paid in both the private and public sectors in Canada emphasizes the importance of understanding the nature of these benefits particularly those that may actually be considered 'fixed', since they are likely to grow in the years to come in relation to total compensation.

Forty-five years ago total labour compensation in the private sector consisted almost entirely of wages paid for time worked or units pro-

duced. Today's workers receive substantial supplementary labour income representing significant production costs. Non-wage benefits now account for more than 30 per cent of gross payroll costs in Canadian manufacturing. This shift in compensation began during the 1930s, as the economic upheaval of the Depression prompted both government and employers to recognize that the individual worker could no longer be expected to carry the full burden of providing security for himself and his dependants.

Stimulated by wage controls and labour shortages during World War II, non-wage benefits have grown exponentially, so that even after allowing for inflation, workers in all segments of the economy enjoy two and a half times the benefits received by their counterparts of



"A 'COST OF EXISTING' RAISE WOULD BE MORE ACCURATE, AS YOU COULD HARDLY CALL WHAT I DO 'LIVING' "

only two decades ago. And while comprehensive statistics are lacking, the available evidence shows unequivocally that employee benefits account for an increasing percentage of gross payroll costs of doing business in Canada. Annual rates of increase in supplementary labour income

...unions play a major role in strengthening employee preference for non-wage benefits

per worker have been significantly higher than the increase in average wages and salaries over the past decade and while slightly below U.S. levels they are increasing faster.

The reasons for this shift from wage to non-wage benefits are complex and not clearly understood but one factor that has spurred this change in tastes has been preferential tax treatments awarded to group plans. The belief is that with our graduated personal income tax structure the real income of workers is improved by transferring part of present income into private pension and welfare plans. (In times of inflation whether this is in fact the case is hard to evaluate.) In addition, when the cost of certain non-wage benefits is tax deductible or is taxed at lower rates to the company when purchased by the employer on behalf of his workers, take-home pay is effectively increased. Group purchase of some benefits also allows for price savings and is a convenient arrangement by which to obtain coverage, since the benefits are bought and sold through automatic deductions.

Evidence for the U.S.A. and Canada lends support to the observation that unions play a major role in strengthening employee preference for non-wage

benefits. The annual average rates of increase in fringe benefits, relative to the increase in average dollar earnings tend to be higher in establishments where a substantial proportion of the workers are organized. Non-unionized workers tend to fare less well than their unionized colleagues, perhaps because they lack information regarding the 'real' value of such benefits to them, and/or because employers are indifferent to employee needs when not subject to the pressure of union negotiators at the collective bargaining table.

In recent years, turnover costs, one of the largest components of fixed labour costs in Canada have risen significantly. This rise may be due in part to the greater importance of on-the-job training resulting from the relative decrease in job vacancies for unskilled or semi-skilled workers. Establishments using similar equipment may have jobs that require common skills and tasks but others may have idiosyncracies in individual pieces of equipment, in the particular combination of tasks, in plant layout, and in operating procedures that can differentiate jobs to such an extent that despite the apparent commonality, such jobs become 'specific' to each firm. Where this occurs, each establishment, in a sense, foregoes access to an external supply of trained labour and must therefore train its own. For the firm to remain viable such training may have to be undertaken on a continuous basis, particularly if turnover rates are high. Disturbances to tasks or task arrangements caused by technical innovations or factor price changes are inevitable. The point here is that on-the-job training automatically increases an employer's potential turnover costs as the work force becomes more skilled and as its average degree of fixity increases.

The fixed-labour-cost hypothesis recognizes that in providing specific training, employers run the risk of losing some of their investment in 'human capital' if workers should leave before training costs are fully recovered in the form of increased output. The premature loss of skilled employees is comparable to a capital loss. To discourage quits, firms may therefore offer wage premiums — and attractive non-wage benefits — to trained labour (i.e., employees with high degrees of fixity). Having acquired skills not readily transferable to other firms, workers have a vested interest in remaining with their employers. And if they themselves finance part of the costs of training (by accepting below-normal wages during the training period), their ties to the initial employer are further strengthened. Some see evidence for these assertions in the pay differentials

...on-the-job training automatically increases an employer's potential turnover costs...

between production and non-production workers and by assuming that the latter are more highly skilled than the former, with higher recruiting and training costs.

Comparison of production and non-production workers' earnings in Canada indicates that the latter's earnings are indeed higher and their unemployment rates significantly lower. The assumption is that firms are reluctant to lay off employees with high degrees of fixity during temporary business recessions whereas they do lay off, or discharge, workers who are 'less specific'. For the economy as a whole, industries employing a high proportion of highly skilled workers (identified

by their average relative wage rate) have lower overall turnover and unemployment rates than those employing unskilled or semi-skilled labour. The wage premiums offered to more highly skilled labour can be a straight-time pay increase and/or may consist of non-wage benefits.

Logically, if employers have the discretion, it would be to their advantage to pay for part of the enhanced productivity of their specifically trained labour with deferred compensation such as supplementary pension and welfare-type benefits that increase in value with workers' tenure. The trade-in value of the benefits offered may be reduced (or even lost) should workers quit, and thus serve to reduce turnover. 'Discretionary' benefits of this type are more likely to fall into the fixed-labour-cost class inasmuch as they are expenses to the firm over the employment period. Moreover, they are likely to rise with the increase in the length of tenure. If this view is correct, then not only will there be skill-related differences in total compensation but the discretionary component of the non-wage benefit segment will tend to be higher and to be synchronized with skill levels where employers use these tactics to reduce turnover among their skilled workers.

The success of such tactics in reducing turnover is hard to ascertain but the widespread practice of linking discretionary benefits to length of service in both the private and public sectors suggests that it is not transitory but a strategy based on sound managerial principles. There is empirical evidence to support the observation that turnover rates in high-skill industries or enterprises are significantly lower than in those that employ a relatively unskilled work force.

Toronto Star Syndicate



"I've just received my tax rebate. Can I buy you a cup of coffee?"

Conceptually, many non-wage benefits are difficult to classify for cost accounting purposes into their appropriate 'fixed' or

...turnover rates in high-skill industries are significantly lower than in those that employ a relatively unskilled work force

'variable' slots. For the most part, employers appear to apportion at their own discretion the costs of non-mandatory benefits such as pay for time not worked, private pension and welfare supplements and non-cash benefit outlays. As a consequence, the onus may rest with interested parties to decide if the benefits constitute fixed or variable employment costs. Canada Pension Plan, Unemployment Insurance and Workmen's Compensation contributions are legally required and their classification is unequivocal since the manner of costing is standardized. But this is not so with many other non-wage benefits. Before such

costs can be used for analytical purposes there is a need for consistency.

In the absence of collective agreements and constraints imposed by seniority clauses, employers will, in the event of layoffs, tend to discriminate in favour of those employees in whom they have 'invested' considerable time and money to recruit and train. The intent here is to amortize these investment costs over the longest feasible work period by keeping turnover to a minimum. The greater the investment in employees the more valuable are they to the establishment. Thus it is reasonable to expect that such workers will exhibit lower average unemployment rates during downturns in economic activity when other groups with lower degrees of fixity are laid off. The evidence for Canada appears to support this view: average unemployment rates among labourers and other unskilled workers are consistently greater than for craftsmen, or for office and professional staff. The U.S. labor force exhibits a similar

pattern of unemployment. As business activity recovered after 1970, differences in unemployment rates between these three skill groups narrowed, indicating that relatively unskilled labour, because of its lower fixed employment costs, quickly caught up to the fairly constant employment levels of labour with higher degrees of fixity.

Where employers can identify workers with high turnover propensities they will tend, when it suits their purpose, to follow discriminatory employment policies by hiring those who are less prone to quit. Married males and females exhibit lower turnover rates than single persons, and thus have lower unemployment rates. Among Canadian males, the 35-44 age group has the lowest unemployment rate while the 14-25 group has the highest. There are, of course, many other socio-economic reasons implicit in these differential rates: schooling and indecision about careers being of prime importance. Thus it is not surprising to find that younger members of the labour force are the first to be fired and the last to be hired because they are single, have few social or family responsibilities to tie them to their jobs, and are therefore more mobile. To minimize actual and potential turnover costs, employers will therefore prefer to hire those who best meet their criteria for stable employment, who are more likely to stay with the company once trained and who will give the employer a better chance of recovering his investment in them.

Several controversial questions arise over how 'investment' costs should be apportioned. Should they be borne solely by employers? by employees? or shared by both? If all or part of these costs are paid for from the public purse who will be the main bene-

...in the event of layoffs, employers will tend to discriminate in favour of those employees in whom they have 'invested' considerable time and money to recruit and train

ficiary? Paucity of research into these issues (primarily because of lack of data) does not permit even tentative answers to these important questions although some economists contend that if workers who exhibit high turnover and unemployment rates were required to co-finance the costs of their on-the-job training (by foregoing earnings) the chances of reduced turnover and stabler employment would be enhanced. Bearing part of training costs would, it is claimed, signal employee willingness to stay with the firm to capture some of the fruits of their own investment. Other researchers assert that this opinion is erroneous and argue that turnover rates can be reduced simply by offering "an increasing wage profile while maintaining a constant present value of earnings." Whatever the correct answer, it will have to wait for improved statistics.

One important implication stemming from the above comments involves overtime decisions and whether the prohibition of overtime would help create more jobs. Both theory and practice suggest that when fixed employment costs in the form of training and certain non-wage benefits are high relative to overtime pay premiums, it is less costly for the employer to pay overtime (when a temporary increase in output is needed) than to hire additional labour. In addition, since the size of the fixed employment costs in all probability will be positively related to skill level, it follows that high-skill

occupations are likely to receive more overtime. Furthermore, when the duration of what began as a temporary increase in demand is uncertain, the time lag between meeting the increased demand by working overtime and the decision to hire more labour is longer the more highly skilled are the workers involved. This is to be expected because recruiting, hiring and training costs are greater.

Because of frequent proposals to legislate against overtime in the belief that such a policy would reduce unemployment, many studies have been undertaken to investigate the circumstances affecting the decision to pay overtime, rather than hire additional employees. Evidence from the U.S.

Married males and females exhibit lower turnover rates than single persons

and elsewhere indicates that overtime hours and skill level are indeed positively related. But overtime data for Canada are not available by occupational groups or aggregate levels, thus a detailed examination of the overtime-employment relationship cannot be undertaken.

Regarding the effect of non-wage benefits on the decision to rely on overtime rather than to expand employment, U.S. studies show that as the ratio of non-wage benefits relative to the overtime wage rate increases, employers will substitute overtime for new hirings. It may be speculated that Canadian employers will also tend to follow a similar approach even though at present, no data are available to show whether this is indeed the case.

The concept of the degrees of

fixity of employment recognizes that trained incumbent employees are — in common with other assets — valuable resources to their employers, and that to maximize profits their turnover must be kept to a minimum. Recruiting and training programs are time-consuming, with costs varying commensurately with the skill levels required. Short-run wage and employment policies based on the rather unrealistic postulates of a fairly local labour market area containing a homogeneous and fixed pool of labour from which manpower may be drawn are too simplistic and in need of revision in light of the above analyses. Firm-specific labour possesses various degrees of fixity. Substantial pockets of labour, including many of the unemployed young, become, in a sense, 'external' to the firm and imperfect substitutes for the 'specifically' skilled persons the firm already employs. Thus the convenient and traditional notion of an 'anonymous and homogeneous' short-run supply of workers is no longer appropriate.

Related to the above observation of contemporary labour market behaviour in an increasingly technologically oriented society is the growing awareness from employers' viewpoints that voluntary labour mobility may no longer be optimally efficient. With increasing fixed costs of employment, it appears that a divergence of views has already arisen between employers on the one hand and policy makers on the other as to the benefits of encouraging voluntary labour movement. The loss of trained workers is unquestionably costly to employers. In the interest of stability, some employers now


regard a decrease in mobility as the proper adjustment to growing stocks of human capital within the economy. The dilemma lies in formulating labour market and manpower policies that will seek to reconcile these views with those that equate mobility with efficiency; but until such time as non-wage benefits are fully portable there is little hope of success here.

...high-skill occupations are likely to receive more overtime

Some contend that the recent proliferation of tenure-related fringe benefits were designed by employers to 'tie' trained labour to them and that these, in effect, have 'chained' workers to their jobs because they can no longer afford to quit. In a similar vein, others argue that as more and more firms hire workers into a limited number of entry jobs, and then rely upon training and promotion to fill the majority of remaining positions, workers are held captive by the prospects of advancement. Interesting as these assertions may be, they appear more in the realm of value judgments not subject to empirical testing. Yet there is much that is subjective in the field of labour-market behaviour, which when related to, say, the observable fact of substantial rises in non-wage benefits deserves attention.

Because it is unlikely that firms can make economically sound decisions without precise and accurate knowledge of employee costs, and because researchers

are handicapped without the appropriate data, the need for improved non-wage benefit and turnover cost accounting in Canada (and other countries) cannot be over-emphasized. Among traditional accountants, capital and equipment are unquestioned in their roles as necessary and fundamental assets, yet in spite of the important function that labour performs to translate these fixed assets into effective earning power, workers still tend to be considered 'variable' cost items rather than 'assets' of equivalent importance. The essential point is, that entrepreneurial decisions based on this misconception may be positively misleading for those directly involved as well as for society. When recruiting costs and particularly training expenditures required to make employees efficient and productive are ignored as valid 'front end' investments, erroneous decision-making can result. Errors are compounded when the costs of certain non-wage benefits are mis-classified.

If more accountants were to extend their framework into human resource accounting (HRA), the realization of accurate turnover figures would be closer. Strong justification exists for assigning asset or at least quasi-asset status to labour and for treating at least some of its associated fixed or quasi-fixed costs as 'investments'. To do so would not be to dehumanize labour but rather to recognize by proper actuarial practice that it is the most valuable resource we possess. 

The foregoing was condensed from a study financed, in part, under Labour Canada's university research program.

British worker directors — the Bullock report

by John Bank

Worker directors may be on the way for Britain. The battle began in earnest in late January with the publication of an explosive special government report proposing the most radical plan in Europe for workers' participation.

The report of the Committee of Inquiry on Industrial Democracy, with Lord Bullock as chairman, calls for an equal say for workers in the running of private companies. Its proposals would extend the power of trade unions by restructuring the boards of all private companies with 2,000 or more employees, including subsidiaries of foreign-based multinationals (about 700 companies and seven million workers out of a total labour force of 24 million). Shorthand for the proposal is the algebraic formula $2X + Y$. On a single-tier board, employee representatives and shareholder representatives would have parity — an equal number of seats (hence the $2X$). Together they choose a third, smaller Y group that would include outsiders and have an odd number of members to avoid deadlocks.

To get members on the board, trade unions at the individual company representing 20 per cent of the workforce would ask for boardroom representation through a secret ballot of all employees. A simple majority with not less than a third of all employees in favour is the validation. A joint representation committee of all unions is set up. Worker directors would be selected through the

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trade union machinery with *only* members "voting."

The Bullock report says the law "should merely lay on the recognized trade union in the company the responsibility to devise whatever methods of selection seem most appropriate." An industrial democracy commission would encourage participation and impose the " Y " element, where shareholders and unions failed to agree. A sum of £3 million (about \$5.25 million) would be earmarked for training trade unionists for their new boardroom responsibilities.

The Bullock report argues that: "In the United Kingdom it is only at the level of representation on boards that there is a legal impediment to the extension of industrial democracy." It accepts that "it is through the trade unions that a large measure of employee participation had already been achieved" and that "the equal partnership of

The Confederation of British Industry threatened to withdraw from the government's industrial strategy if the Bullock report were rushed into law

capital and labour...is the foundation of industrial democracy as we see it."

Offering its remedy for the British sickness, the Bullock report states:

"...the problem of Britain as an industrial nation is not a lack of native capacity in its working population so much as a failure to draw out their energies and skill to anything like their full potential. It is our belief that the way to release those energies, to provide greater satisfaction in the workplace and to assist in raising the level of productivity and efficiency in British industry — and with it the living standard of the nation — is not by recrimination or exhortation but by putting the relationship between capital and labour on to a new basis which will involve not just management but the whole workforce in sharing responsibility for the success and profitability of the enterprise."

The Trades Union Congress (TUC) immediately came out in support of the report, warning that the industrial democracy proposals are part of the social contract it has with the government. Len Murray, TUC general secretary, asked for the enactment of the Bullock majority report within 12 months.

The Confederation of British Industry (CBI) threatened to withdraw from the government's industrial strategy if the Bullock report were rushed into law. It refused to even

negotiate from the Bullock recommendations. Jan Hildreth, head of the Institute of Directors, said: "The Bullock Committee's proposals are irrelevant, dangerous and have about as much justification as the Emperor Caligula's idea of making his horse a consul."

Sir Derek Ezra, chairman of the British Institute of Management, said an imposed formula to give workers a bigger say in running the companies would be unacceptable. The institute favoured a flexible system of employee involvement in decision making, something that could be tailored to each particular firm.

The official Conservative party spokesman called the Bullock report "a political tract." He said it was "unrealistic, destructive" and guaranteed to set back the course of genuine participation in Britain by a decade.

Opponents claim the inquiry was rigged. The terms of reference given the committee were never *whether* there should be worker directors, but *how* it should happen. They charge that the membership of the committee was stacked in favour of the TUC view. It did in fact include Oxford don, Lord Bullock; two trade union leaders, Jack Jones and Clive Jenkins; TUC economic advisor, David Lea; and pro-union academics George Bain and K.W. Wedderburn. These six men were joined by a lawyer, N.S. Wilson and produced the majority report.

Toward the end of the inquiry, the three businessmen on the committee, N.P. Biggs, Sir Jack Callard and Barrie Heath, split to prepare a minority report. Their report — of markedly poorer quality than the majority — is so hedged about by restrictions as to evade worker directors altogether.

The unions themselves have as yet to close ranks around the Bullock report

The two-tier structure envisaged by the minority report is a pale reflection of the German model. The supervisory board would comprise one third employee representatives, one third shareholder representatives, and a final third co-opted from independents by the first two thirds. The employee directors would come from three specific sources: the shop floor, white-collar staff, and management. They would be elected by a secret ballot of all employees with a year's service. They would have to work in a firm which had employee councils for shop floor participation for at least three years. Each worker director would be required to have been with the firm for at least 10 years, to have served on the employee council for three years and to receive special training. Union membership would not be required for the worker director post. The tightly-drawn system of boardroom participation would take place only if all the unions agreed to it or two thirds of the employee council asked for it.

The British supervisory board would oddly not supervise or initiate policy. Its role would be limited to staying informed of the company's financial status and passing on management proposals to the shareholders.

Apart from the critical issue of parity vs minority representation on the top board, differences between the majority report and the minority report in the functions of the boards with employee representatives, are illustrated in the accompanying table.

The power-sharing that the Bullock majority suggests would give management a new legitimacy and fulfil the democratic imperative of permitting workers to participate in the making of decisions that affect them. Radical changes in industry would be easier to make and profitability would be ensured by a new and more efficient interaction of management and unions. However: "It is unreasonable to expect employee representatives to accept equal responsibility unless...they are able to have equal influence on the decision-making process," the majority report asserts.

Some argue that all these things could be achieved without parity. In fact, one of the seven signatures to the majority report — the lawyer — is of this view. Adding his own note of dissent on parity, he rejected the $2X + Y$ formula and argued that employee representatives should be in a minority on unitary boards for the following reasons:

- Parity is not necessary to give employees a voice on the board.
- Parity would increase the risk of polarization and delay decision making.
- Minority representation would be less likely to appear as "disfranchisement" to non-union employees at home, and overseas employees (each nearly a quarter of the total).
- It would require less alteration to the size and composition of the boards.
- It would not involve the introduction of a third group of directors and resultant complications for subsidiaries.
- A parity demand, embodied in law, is beyond public opinion.

Majority

Exclusive right (which cannot be delegated) to submit resolutions to shareholders on:

- winding up the company,
- changing memorandum in articles of association,
- recommendations on dividends,
- changes in capital structure,
- disposal of a substantial part of the undertaking.

Responsibility for:

- the allocation or disposition of resources not covered by the "exclusive right" section (which can be delegated)
- appointment, removal, control and remuneration of managers, whether members of the board or not.

Minority


- Approve appointments to board of management.

- Dismiss, if unanimous, members of the board of management.

- Approve remuneration of members of the board of management.

- Receive regular reports and salient information.

- Have responsibility for submitting to the shareholders such matters as are required by law, including:

- winding up the company,
- changing memorandum in articles of association,
- making changes in the capital structure,
- exceptionally large expansions or contractions,
- disposal of a substantial part of the undertaking,
- approving the annual accounts,
- payment of dividends. 

Not surprisingly, the Bullock report took a beating in the British press. "Industrial democracy involves the democratic pursuit of the strengthening of the business; Bullock involves the non-democratic pursuit of the strengthening of the unions. They could not be farther apart; they are indeed plain opposites," *The Times* bemoaned. "When one puts together the existing powers and the claims to power, they amount to a general claim to social, industrial and political dominance for the trade union movement, and in particular for the leaders of the large trade unions. Perhaps 100 men are

making a claim to run the country," the editorial concluded.

"The misleading feature of the Bullock report is that it proposes a significant step towards union control of industry while posing as the saviour of the mixed economy," *The Economist* said. It attacked the Bullock recommendation that the selection of worker directors should be in the hands of shop stewards as "the worst proposal in the whole report." Yet the magazine granted the dominate role that must be given the trade unions in any participation process. *The Economist* dismissed

the minority report with derision. At one point the minority report insists that the supervisory board must not be "a watchdog without teeth" but then leaves it totally toothless.

The unions themselves have as yet to close ranks around the Bullock report. The largest union, the 1.9 million-member Transport and General Workers Union led by Jack Jones, is solidly behind it. The TUC believes the Bullock report squares with its own industrial democracy policy. But there are three major unions — the electricians, the engineers and the general and municipal workers union — who prefer participation through the extension of collective bargaining to include the whole range of corporate policy rather than boardroom representation. David Basnett head of the General and Municipal Workers Union said that the Bullock proposals risked appearing "irrelevant to the trade union movement."

The debate on worker directors in Britain has a serious gap. Only a few dozen workers have actually become board members whilst retaining their regular jobs. The few worker directors in the private sector are scattered and isolated. Those in the public sector are concentrated in only one firm — the British Steel Corporation.

In 1968, steelworkers were appointed to BSC "divisional" boards — not the main board as Bullock wants. Yet these divisions encompassed as many as 90,000 employees and none fewer than 47,000. The first four years were experimental. The workers were required to resign all trade union offices before taking up duties as directors.

"Initially, it seemed that no one connected with this employee director experiment could give to

us any clear lines as to what our actual role should be," one of the worker directors complained. "And because of this, we were left to develop it to the best of our ability".

There was indifference from trade unions and hostility from some managers, but the worker directors have survived. Today there are 17 of them, serving on the divisional boards.

By January 1972 the worker directors, together with the TUC steel committee and corporation officials, had hammered out a job description. As members of divisional boards, their basic function was to assist the managing director in running the division. They were to keep close links with the consultative and collective bargaining machinery. They were also to participate in main committees, subcommittees and working parties at works level, divisional level and national level.

The ban against their holding trade union office was lifted in 1972 and most of the men regained their old trade union positions — not a small feat after being away from these elected posts for four years. They have coped well with the conflicts between their directors' roles and trade union offices — some are shop stewards, others branch secretaries, and one, national president of his union.

The BSC worker directors will publish their own manifesto in May, demanding initially one third of the positions on the divisional and main board. Their nine-year experience on divisional boards has led them not to seek Bullock-style parity.

Although the Bullock inquiry was restricted to the private sector, the government may now use nationalized industries as an example of how the Bullock formula could work. Two million people are employed by the federal government, including the National Health Service and the Post Office, and nearly 2 million work in nationalized industries. Currently, the Post Office board and unions in the industry are drawing up an agreement for equal representation of management and workers in the Post Office, with independents holding the balance. It's a two-year experiment that could give the government a showpiece for Bullock parity.

The debate on worker directors in Britain has a serious gap

The publicly-owned car giant, British Leyland, is also a contender for being the first major company to implement the main recommendations of the Bullock report. The firm has already developed in its car and bus plants a system of participation which passed a 12-month road test.

The state-owned Belfast shipyard, Harland and Wolff, with 10,000 workers, began a move toward participation in July 1974. Already a full year off target, Harland and Wolff hope to have their restructured board on stream by this autumn. It will include five worker directors who will join five executives and five government nominees under the chairman, Sir Brian Morton. The big delay came after agreement on the method of selecting the worker directors

among the shipyard's 13 unions collapsed. The present executive directors at H & W welcome the idea of worker directors. "We need their aspect of the business to merge with management expertise in forming policy," one director said. "If you turn them into pseudo-managers you will lose everything. They must stay in contact with their roots."

Across Britain there is now widespread public support for the idea of putting employee representatives on company boards, but there is open hostility to the Bullock proposal of leaving the appointment of worker directors in the hands of the trade unions. An opinion poll conducted for *The Sunday Times*, the day after the Bullock report was published, revealed that two adults in three feel employees should have board representation and only one in four think they should not. Among all adults 87 per cent preferred election by all employees and opinion among trade unionists was about the same — 84 per cent.

Trade unionists and the public at large are being made increasingly aware of the analogy between progress now towards industrial democracy and the extension of the political franchise in the 19th century. As the Bullock report observed in its closing words: "The fears expressed in the nineteenth century in face of proposals to give more people the right to vote did not stop short of the subversion of the constitution and the dissolution of society. Once the franchise was extended, however, the fears were forgotten and the Reform Acts were seen as essential to the country's stability and prosperity." [9]

The Employee Stock Ownership Plan:

A democratic alternative to socialism

by Kenneth McDonald

Capitalism's weakness is that the owners of productive capital have failed to devise ways to spread the benefits of ownership among the employees who help to produce the wealth.

That failure has led to an artificial division in society. On one side are the owners of capital and the employees who serve as managers. On the other side are the people who are employed in the production process. The two groups have come to be known as management and labour.

The wealth that is generated by capital accumulates in the hands of its owners, but a portion of it, whether in the form of bonuses, of share ownership, or of deferred share purchase options, is diverted to salaried managers. Rarely is this facility extended to "labour". Yet the worker who sees only an arbitrary wage, unrelated to the success of the business as a whole, will be interested only in the wage, and not in the business.

This is the situation which has led unions to regard themselves as the adversaries of management in a perpetual battle over "shares". The unions' weapon in the battle is collective bargaining which, reinforced by the strike, by the closed shop and other devices, has enabled many union members to gain substantial wage increases. Though this may appear to be good for the union members concerned, the effect is inflationary.

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The wage increases result not from greater or more efficient production but from the collective power of unions.

The socialist response to the question of distributing wealth is for the state to control the economy. Whether by outright ownership of productive capital (as in the Soviet Union and its subject states), or by regulation, intervention and punitive taxation (as in Britain and Canada), the state siphons off earnings from the productive elements of society in order to "redistribute" them to other elements and to support its own bureaucracy in the process.

In other words, the socialists maintain that because private capital tends to be concentrated in too few hands, the ownership of capital by individuals should be abolished. The democratic alternative is not to abolish individual capital ownership but to spread it as widely as possible among

...the worker who sees only an arbitrary wage, unrelated to the success of the business as a whole, will be interested only in the wage, and not in the business

individuals. The key is in making available to all workers the same tool of self-liquidating credit which enables production facilities to be expanded.

The principle, originated by San Francisco lawyer and author Louis O. Kelso, is currently applied by over 500 companies in the USA. Among those applying it in Canada are Canadian Tire, Dofasco, Shoppers Drug Mart, Simpsons, Simpsons-Sears and Supreme Aluminum.

When a company's successful enterprise creates the need for a new plant, the owners borrow the financial capital, i.e., the money, required to put up the new building and to buy the new machinery, i.e., the new productive capital. The bank accepts the existing assets of the company as security for the loan.

When the new plant is in operation, the earnings it generates are applied to repay the bank loan. The existence of the original wealth-creating entity enabled the second to be created, at no cost to the owners, and without any interruption in the continuous creation of wealth.

The democratic alternative to socialism is to make this principle of self-liquidating credit available to all workers. The vehicle devised by Kelso is the Employee Stock Ownership Plan.

Employees form a Trust to buy newly issued company stock by means of a loan guaranteed by the company. The company commits to make annual payments to the ESOP Trust to cover principal and interest payments of the loan. As the loan is paid off, the shares are allocated to employees by the Trust.

Employees have the choice of drawing the shares out of the Trust or of leaving them to accumulate against retirement. Either way they have acquired a second income from shares they own outright. And they have acquired them without risk — which is borne, as it always is, by the company — and without loss of pay, because the loan repayments are made from the company's pre-corporate tax earnings. (This is currently true only in the USA; not yet in Canada.)

To meet the risk of company failure — itself diminished by the introduction of employee incentive to prevent it — the loans required for ESOP formation could be insured by an Investment Diffusion Corporation. (See *The National Dilemma and The Way Out* by Winnett Boyd, BMG Publishing Ltd., Richmond Hill, Ont.)

Such a corporation, which awaits the initiative of Canada's financial community to form it, would also serve as the medium through which all adult Canadians, whether in public or private employment, could acquire stocks in the companies which form the underpinning of Canadian industry. Abitibi, Alcan, Algoma, Cominco, Consolidated Bathurst, Dennison, Falconbridge, Inco, MacMillan Bloedel, Noranda, Stelco and the rest are prime ingredients of the Canadian economy. While Canada survives so will they.

There is no magic about this, no trick, no "funny money". All that

Rather than abolishing the individual ownership of capital...the democratic alternative would spread its ownership as widely as possible among individuals


has occurred is the extension to non-owners of capital of the ability, which capital owners have always possessed, to insure their loans for the purchase of newly created productive capital. The result would be to remove capitalism's fundamental anomaly: That the workers who help to produce the goods (the "labour" part of the capital-labour team) have only limited power to buy them.

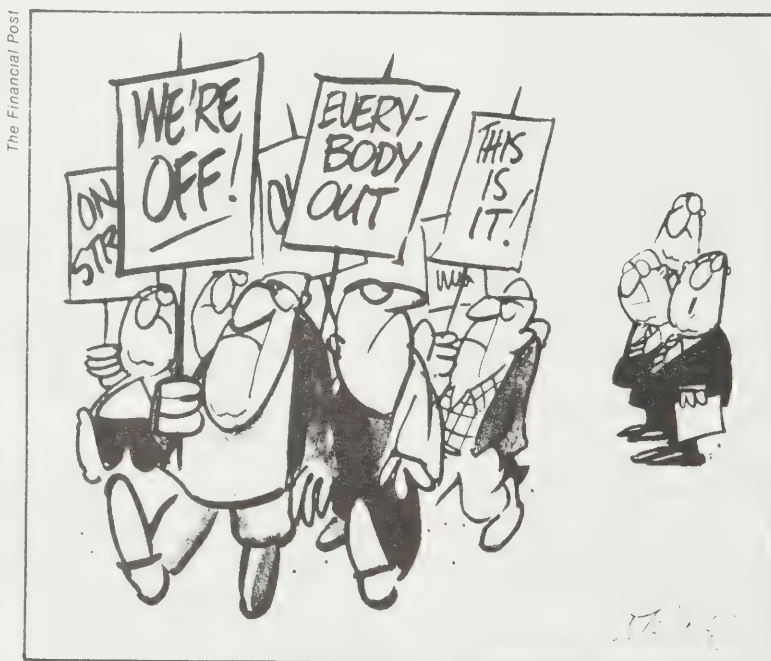
Employee stock ownership applies, to individual workers, the identical principle that enabled Henry Ford, and other well-known capitalists of the past, to succeed.

Rather than abolishing the individual ownership of capital — as the socialists and some of their

union supporters advocate — the democratic alternative would spread its ownership as widely as possible among individuals. By becoming capitalists in their own right, and not merely ciphers in a government or union pension scheme, all would enjoy, as individuals, a share in the fruits of productive effort.

The Kelso technique offers Canadians the following advantages:

- reversing the present misallocation of resources to the non-productive government sector;
- enabling individual Canadians to acquire the security of a second income from their own capital stock;
- enabling foreign parent companies to divest themselves of branch plants or divisions by the voluntary action of their Canadian employees, while securing equitable compensation for the divestiture without involving government in the process. 



'So much for our Quality of Work suggestion.'

The new Quebec government's labour policy proposals

To date, all that is known of the new Quebec government's intended policy in the field of labour relations (aside from the Parti Québécois program dealing with this subject) has been gleaned from a number of infrequent statements made by either Premier René Lévesque or one of his ministers. First, there was the statement of principle made by the head of the newly elected government to the effect that his government would be favourably predisposed toward labour. This was followed by the inaugural address opening the spring session of the Quebec National Assembly. The speech outlined a number of guidelines and some of the initial positions adopted in the area of labour relations. It announced the intended revision of the Labour Code — to be duly preceded by the necessary consultations — and revealed that legislation would be enacted to guarantee unorganized low-income workers certain "basic working conditions". The address also announced the convening this month of a conference of representatives from the leading economic groups in Quebec. A document that appears to reinforce the government's statements of principle originated with Quebec deputy labour minister Gilles Laporte and was made public in February this year in the form of an informal address to a group of businessmen from the Saguenay region. It is not inconceivable that the substance of his proposals had already been worked out before the change of government on November 15. Finally, during a one-day symposium on industrial health and safety organized by the Quebec Federation of Labour, Premier Lévesque stated emphatically that unions would share the responsibility for drafting as well as implementing legislation on worker health and safety.

The following text is condensed from Quebec Premier René Lévesque's inaugural address, March 8, 1977, to the Province's National Assembly.

Healthy labour relations are essential to the well-being of our society, including our economic well-being. If progress is to be achieved, it is essential in Quebec and elsewhere, that the work environment and labour-management relations be maintained in as healthy a state as possible, and that even when disagreements arise, or perhaps I should say particularly when this occurs, a consensus be reached on at least certain inescapable realities and on certain well-defined limits that cannot be exceeded without producing more harm than good....

The government was quick to decide to respect fully the collective agreements signed by its predecessors. It has also scrupulously respected the autonomy of the parties while at the same time making every legitimate effort to hasten the settlement of bitter disputes within our universities, and to eliminate the worrisome tensions that pervade our law enforcement agencies. Very recently, moreover, the government agreed without hesitation to grant full rights to casual government employees.

Much more, of course, remains to be done. We will doubtless have to make far-reaching changes in the Labour Code in the near future. The need for such changes has long been felt.... Before embarking on such a project, the present government...is anxious first of all

to be sure of its ground and to undertake all the necessary consultation. In the meantime, however, there are a substantial number of situations that can and must be rectified without delay.... Basic or minimum working conditions [have] for too long been denied a vast number of ordinary workers who thus far have no formal recourse open to them. [New legislation that the government plans to enact] will protect the basic dignity and security to which they are entitled.

This concern for the fundamental dignity of Quebecers underlies the government's commitment to take concrete action this year in an area to which it has given priority, namely, the health and physical safety of workers.

Very shortly, then, corrective measures will be taken in respect of, among others, the Workmen's Compensation Act and the Act respecting indemnities for victims of asbestosis and silicosis in mines and quarries. In this regard, a number of the most urgent measures recommended by the Beaudry Commission must be promulgated without delay through Orders-in-Council. Most importantly, the standing committee on social development has undertaken to draft for the government, before the end of the year, general legislation that would define clearly and unequivocally the principles, structures and procedures governing the implementation of an effective policy in the field of industrial health and safety. There is no question that this policy of respect for the most important of

all of our resources, people, cannot help but lead to substantial improvements in all other areas, including the performance of the economy. It bears repeating that any economy in which the belief persists that machines are more important than men is doomed to failure.

In an effort to heighten public awareness of the interdependence of economic progress and the improvement of the lot of workers, the government decided to convene this May a conference of leading figures from the social and economic groups.

It is our hope that this conference will shed as much light as possible — and even bring about some agreement — on at least the most difficult and important points. The conference will mark the first time that a substantial number of the most authoritative spokesmen from labour, business, the co-operative movement and the public sector in Quebec will have been brought together in the same forum. Needless to say, it is hoped that members from all parties represented in [the National Assembly] will also attend the conference. No one is under the illusion that this conference might

produce, as if by magic, the kind of co-operation which would lead to unanimous agreement. There are too many differences, disparities and persistent and distressing inequalities in our society for us to realistically expect that such agreement will be achieved immediately. Nevertheless, we are entitled to the modest hope that through this conference, we can begin to develop a mutual understanding of the problems and a genuine dialogue that may launch us on the difficult road to achieving that minimum level of social peace, the need for which is universally felt. [G]

A universal code of labour standards for Quebec

Even before Pierre Marois, minister for social development, made public the intention of the Lévesque government to draft legislation creating a universal code of basic labour standards, Gilles Laporte, deputy minister of labour and manpower, dealt with this important subject on February 11 before a group of businessmen in the Saguenay region. His speech, condensed below, sheds some light on the scope of the proposed code, which he has reportedly been working on for the past two years.

Any improvement in the labour climate must necessarily be the result of legislation that favours unionization and more appropriate collective bargaining mechanisms; and legislation that creates a universal labour standards code.

Obviously, more extensive negotiation will remain the tool that is best suited to the particular features of each firm and therefore likely to lead to a better climate.

Employers and employees who are

not affected by unionization are generally the ones who are least equipped to establish on their own the terms of their working conditions, despite the fact that these employers and employees are in close contact with each other, are more dependent on each other and sometimes share the same aspirations.

Non-unionized enterprises lack a frame of reference that would enable them to take advantage of progress made by organized labour in the search for industrial peace. Such a frame of reference could be provided by a universal labour standards code for Quebec.

A truly universal code would cover all employees in Quebec. The first innovation would consist of broadening the definition of the term "employee," and eliminating general exceptions based on the sector of activity, the nature of the enterprise or the work, or individual working conditions. This would eliminate the stumbling

block posed by the legal interpretation of the term "employee," which is based on the narrow concept of legal subordination.

It should be possible at the same time to exempt from the application of the plan, in whole or in part, management-level employees and those who are in a situation where the observance or enforcement of labour standards would be impractical. Contrary to current practice, these exclusions should be permitted only under certain conditions and for a set time period, in order to ensure that they are re-examined periodically to determine their appropriateness.

Secondly, a labour standards code would set minimum or basic standards that would have to be met in every respect. Such a system would greatly alter the ground rules governing relations between employees and employers. Of course, this would not be the first code of minimum standards, but it would be the first

to be applied universally, providing employees with a consistent and complete set of standards.

It goes without saying that employees should be able to negotiate, on an individual or collective basis, working conditions that are objectively more advantageous — and here I insist on the use of the term “objectively” — or, in certain cases, equivalent conditions. Furthermore, it should be obligatory to apply working conditions independently of one another, so that in establishing equivalences there could be no trade-off between the various working conditions, a practice which we find particularly repugnant when dealing with a system of minimum standards.

Although such a code would be a significant step forward, it would not fall outside the boundaries of the present labour relations system. Subject to respect for the established minimum level, it should leave room for the individual work contract, which would continue to come under civil law; it should leave room also for the collective bargaining system, provided that provisions of collective agreements complied with established minimum standards.

A grievance arbitrator, or possibly a council of arbitrators, depending on the provisions of the collective agreement, would decide whether the terms of the collective agreement were inferior to the standards, or whether they provided conditions equivalent to the established labour standards.

Even a system of minimum labour standards that appeared to be very sound on paper would be only a sham unless it were accompanied by a control mechanism offering the greatest possible guarantees of effectiveness.

In this respect, the code would make it possible for employees to take an active part in ensuring that labour standards were observed. Such a practice would be consistent with the desire to involve employees as much as possible in the management of their work.

The code would give the Labour Court extensive powers in the issuance of directives on the manner in which labour standards are to be applied and on the collection of amounts due to the employee. It would match these powers with specific duties relating to the investigation process and could provide strict rules regarding the manner in which the legal body would be required to render administrative decisions. This would help to avoid the administrative chaos that was denounced vigorously by the former Ombudsman.

Finally, in order to simplify and speed up the process for ensuring observance of official labour standards, the decisions rendered by the Labour Court once filed with the clerk of the Labour Court, would automatically come into effect after a certain period of time. Thus, structured control mechanisms would be established and assigned specific powers and duties under the terms of the legislation.

Moreover, notwithstanding the right of the employee to appear before an ordinary court of law by virtue of an individual labour contract, it is the Labour Court that would have exclusive jurisdiction to hear all legal proceedings relating to the application of the proposed code, with the exception of civil remedies in execution, which would continue to come under ordinary law.

In view of the increasing complexity of problems related to working

conditions, it would be preferable to confer legal sanction and control of administrative decisions on a special tribunal that would deal with labour questions on a daily basis rather than sporadically.

Mechanisms could be set up to enable offenders in certain cases to correct their behaviour before the sentence passed against them is applied. Moreover, the maximum fine should be large enough that the employers do not find it advantageous, as is sometimes the case at present, to pay a fine rather than observe the law. However, in order to make it possible for the court to assess on their merits all the circumstances of the cases submitted and consequently to set the appropriate fines, the code should not prescribe any minimum for the proposed fines.

In order to build a coherent code of labour standards, it would be necessary to take into account the experience gained in applying the provisions of the orders issued to date by the Minimum Wage Commission, studies dealing with basic working conditions and their application, and experience in collective bargaining. The standards derived from this examination would in no case be new standards in the field of working conditions; however, for the first time, these standards would, by the will of the legislator, be made universally applicable.

These standards could deal with such matters as determination of salary, payment of salary, rest periods, maternity leave, and conditions and compensation relating to termination of employment.

First of all, there would obviously be a prescribed minimum wage rate, to be based mainly, but not solely, on the evolution of salaries

negotiated in Quebec; this clearly implies that union activity would continue to exercise leverage in the development of labour standards in Quebec.

Furthermore, the individual's negotiated wage level could also be protected, thus providing the employee with a speedier alternative with respect to wage claims. With regard to wage protection measures, we could mention, among other things, the creation of a preferred claim on the employer's movable property for the salary due to the employee; the Civil Code permits such legal action, which would compensate for the absence of a general rule for protecting the employee's claim.

Overtime would be paid at time-and-a-half the usual rate; however, after a certain number of hours of overtime per week, the employee could refuse to work additional overtime. Standards relating to rest periods could guarantee the employee a daily break in addition to the meal break. The employee could also be entitled to a certain number of paid holidays per year.

Termination of employment could be linked to specific conditions, such as the setting of a definite time period in the event of dismissal (so as to avoid the ambiguous situation which now exists, as a result of the provisions of the Civil Code), and the employer's obligation to give the employee in writing the reasons for his dismissal, which would at least serve to dissuade the employer from camouflaging an unfair dismissal as a dismissal for cause. Moreover, the employer would be required to give the employee, on the latter's request, a document attesting to his work experience, so that the employee would be in a better position to

obtain work from a prospective employer wishing to verify the employee's work experience.

Finally, the system could provide for maternity leave without pay for a period of seventeen weeks, along with a prohibition against dismissing a female employee solely because of pregnancy. Over one third of the labour force in Quebec is made up of women; maternity should not be a negative factor in their careers.

These proposals, which in my opinion would greatly help to improve the labour climate in Quebec through better working conditions, would not, with the exception of paid holidays, increase the total payroll of the enterprise.

The labour standards code would not cease to evolve after its adoption. Within a framework established by legislation, and in accordance with criteria prescribed therein it would be possible to formulate, define and amend the initial standards and even add new ones in the course of an obligatory review to be conducted at least once a year.

The standards would not, however, arise spontaneously; rather, they should be based on a report from the department of labour and manpower, which would draw on studies and analyses of collective agreements conducted by the bodies responsible for the implementation of the legislation.


The code should also specify that minimum wage rates and benefits applicable to a given period would be based mainly on the evolution of wage rates and benefits established by means of collective agreements in force in Quebec, and on the evolution of wage rates and benefits on the labour market.

The labour minister would transmit his report to the advisory council on labour and manpower, which should issue a notice within a prescribed time limit; the minister's report would then be submitted to the Lieutenant-Governor in Council for approval.

To ensure that employees and employers are adequately informed, no provision with direct financial implications could come into force without prior public notification of five months.

For non-unionized workers, this would mean the end of interminable struggles for minimum working conditions, in what has amounted to a fight for survival, and the opportunity to devote themselves to other priorities.

For the union movement, it would mean the establishment of a firm base, a point of departure for any future negotiation. It would also enable organized labour to devote more time to considering its role in the evolution of Quebec society.

For management, it would mean, without any significant additional costs, the creation of a relevant frame of reference in the area of working conditions — a frame of reference whose evolution would be foreseeable and which would undoubtedly help to create a healthier labour climate in Quebec. In gaining a healthier labour climate, management would gain a positive, non-coercive means of increasing productivity, as the employees would no longer have to worry about minimum labour standards. Moreover, employers would find themselves on an equal footing with respect to working conditions, and the result would be improved competition. 

Health and Safety

The following is from a report by Louis-Gilles Francoeur in the Montreal daily Le Devoir.

The Quebec government intends to involve workers and unions in the implementation of the acts and regulations that, in the coming months, will give concrete form to the government's intentions regarding industrial health and safety as outlined in the inaugural address.

In a speech to some 500 union delegates attending the QFL's Quebec City symposium on workers' health and safety, Premier René Lévesque defined the philosophy underlying the government's recent announcement advocating "shared responsibility" among government, unions and management.

"You are the ones who must deal with these problems, because you are the most directly affected by them", Lévesque told the QFL delegates, in the first address ever given by a premier to this labour organization.

Lévesque went on to tell the delegates that they would have to assume joint, and even primary, responsibility for the implementation of the proposed legislation. He described its preparation and invited the trade unionists to participate actively in this task.


Continuing responsibility to be assumed by workers in the field of safety is so much in line with the desires of Quebec's central labour bodies, particularly the QFL, that when QFL President Louis Laberge, rose to thank the

Premier, he made a point of stating that the latter had not set the tone for the symposium's working papers.

Lévesque, however, had seen the press release issued on the eve of the symposium. Referring to the statistics on deaths caused each year by industrial accidents and diseases, he termed the present situation a "long-standing scandal", and promised to use the power of his government to eradicate the effects of these "barbarities of industrial society".

Describing the Cabinet's philosophy in greater detail than had been done by Pierre Marois and Jacques Couture, the ministers responsible for social development and labour respectively, Lévesque indicated that the role of the government was to improve the laws, following a comprehensive policy, and to facilitate their application through appropriate financing. He did not indicate what part the government would play in the implementation of the laws, apart from its role as arbitrator.

In a footnote to his speech, which opened the conference, Lévesque stated also that management would have to assign greater importance to the problems of safety and health. With regard to QFL demands that management assume the full burden of the expenses arising from industrial diseases and from the modernization of safety equipment, the Premier explained that there was nothing new in this approach since the principle had been accepted by employers, who were already responsible for the consequences of accidents.

Finally, Lévesque reminded the delegates that the minister for social development had been given the responsibility for developing, by the end of the year, a comprehensive policy on industrial health and safety, drawing in particular on numerous earlier studies. The Premier stated that the government also intended to implement during the current session a number of the recommendations of the Beaudry Commission, in particular, those designed to remedy problems faced by union members in the asbestos industry and by the victims of silicosis. 

Back issues of The Labour Gazette

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: October, November, December.

1976: March, April, May, June, July, August, September, October, November, December.

1977: January, February, March, April.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

Labour legislation in Canada — 1976

Part 2: Human rights

by Cal McKerral

During 1976 several provinces extended their human rights laws.

Manitoba amended its Human Rights Act. "Age," "source of income," and "family status" are added to the anti-discriminatory grounds in the display of any notice, sign, symbol, emblem or other representation. Also, the prohibition extends beyond discrimination and now includes exposing or tending to expose a person to hatred.

Public accommodation, facilities, etc., must not be denied to any person unless reasonable cause for denial or discrimination exists. Reasonable cause does not include the race, nationality, religion, colour, sex, age, marital status, or ethnic or national origin of a person. Sex can be a reasonable cause if it relates to public decency.

In accordance with the law, refusal of any public accommodation, service, etc., is permitted where a person under the age of majority is not entitled to use the accommodation, service, etc., in question.

Family status and marital status are added to the grounds upon which occupancy of commercial or housing units cannot be denied.

"Family status" is now a prohibited ground for discrimination in employment and employment-related activities, and "political belief" and "family status" are added grounds in

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advertising for employment, pre-employment enquiries, and activities of employment agencies.

Distinctions on the basis of age, sex, family status or marital status can be made in the case of any employee benefit plan or any contract which provides such a plan if the Human Rights Commission is satisfied that the distinctions are not discriminatory. Distinctions can also be made regarding life insurance, accident and sickness insurance, and certain annuities where the distinctions are not discriminatory and the insurance or annuity could not be provided without the distinction being made.

The Human Rights Commission has three options after having investigated a complaint. It may request the Minister to appoint a Board of Adjudication to hear and decide the complaint; it may endeavour to effect a settlement and, failing settlement, may request the Minister to appoint a Board of Adjudication; or it may recommend that the Minister commence a prosecution for an offence under the Act.

For purposes of investigation, the Executive Director, any person with the Executive Director's written authorization, or the Board of Adjudication have access during

normal business hours to any land, residence or business premises of any person with respect to whom there is reasonable and probable grounds to believe that such access will assist the investigation of the complaint.

Specific documents, correspondence and records relevant to the complaint may be inspected and copies or extracts may be made. Where access is denied, ex parte application to a County Court or Provincial Judges Court may be made for an order granting access.

Subject to appeal to the Court of Queen's Bench, the Board of Adjudication has exclusive jurisdiction and authority to determine any question of fact or law regarding whether or not the Act has been contravened, or for the making of any order pursuant to a decision rendered.

Where the Board of Adjudication decides that a party has contravened any provision of the Act, it may: make an order to secure compliance, order the offending party to make compensation to the aggrieved for lost income or expenses incurred by reason of contravention of the Act, or it may order the offending party to pay a penalty or exemplary damages to compensate for suffered damages in respect of the feelings or self-respect of the aggrieved.

The Board of Adjudication may file its order with the Court of Queen's Bench. Such filing causes the order to become a judgement of

that Court. Previously, only that part of an order directing payment of lost wages could become a judgement of the Court. An order cannot be filed with the Court until appeal procedures have expired.

“Political belief” and “family status” are added to the list of grounds, the contravention or attempted contravention of which can be cause for an injunction to be issued for restraint by the Court of Queen’s Bench.

New Brunswick amended its Human Rights Act to add “physical disability” as a ground upon which discrimination is prohibited, and repealed the Female Employee Fair Remuneration Act. Equal pay provisions are not explicit, but are deemed to be included in the general anti-discrimination provisions in the Human Rights Act.

The New Brunswick Ombudsman Act also was amended to extend the jurisdiction of the Ombudsman to municipalities. Also, the Ombudsman is protected against being prosecuted or being compelled to testify in any matter coming to his knowledge in the exercise of his functions, whether or not he was acting within his jurisdiction, unless it can be shown that the Ombudsman acted in bad faith.

The Ombudsman is denied the right to investigate until a statutory right of appeal or review, where it exists, has been exercised.

In **Ontario**, Bill 13, an Act to provide for Certain Rights for Blind Persons was given Royal Assent on April 14, 1976. The Act prohibits the barring of trained guide dogs accompanying a blind person in any public accommodation, facility or service, or in the occupancy of any self-contained dwelling unit.

Identification cards, which are prima facie proof, may be issued to the blind person and guide dog. Cards shall be surrendered, upon request of the Attorney General or designated officer, for amendment or cancellation.

A person discriminating against a blind person and his guide dog is guilty of an offence and on summary conviction liable to a fine not exceeding \$1,000. A person posing as a blind person is guilty of an offence and on summary conviction liable to a fine not exceeding \$100.

Another significant development occurred in the **federal** jurisdiction. On November 29, 1976, federal Justice Minister Ron Basford introduced Bill C-25, the Canadian Human Rights Act.

The Bill, a substantially revised version of its predecessor, Bill C-72, prohibits discriminatory practices and provides individuals with rights of access to and control over the use of personal information about them that the federal government uses for administration purposes. The Bill also contains provisions designed to restrain the Government’s own information gathering activities.

Anti-discrimination provisions of the Bill would make race, national or ethnic origin, colour, religion, age, sex, marital status, physical handicap and a conviction for which a pardon has been granted, grounds upon which discrimination is prohibited. The prohibitions would cover all federal departments and agencies and any business or industry under federal jurisdiction (i.e., chartered banks, airlines, railways, etc.).


The activities to which the prohibitions would apply are:

- provision of services, facilities or accommodation generally available to the public;
- provision of commercial premises or residential accommodation; and
- provision of jobs, pay and promotions, and their advertisement.

The Act would also ban the transmission of hate messages by telephone. Any person or group of persons in contravention of this provision would be subject to a cease-and-desist order. Failure to comply would become grounds for contempt of court, penalties for which are up to one year in jail or a fine not exceeding \$5,000.

The equal-pay-for-equal-work formula in Bill C-72 was changed and now equal work is defined as work of equal value. This change reflects the view that “work of equal value” affords a greater degree of protection against sex discrimination in the workplace.

A Human Rights Commission would be established in order to enforce the Act. The Commission would consist of a minimum of five and a maximum of eight members appointed by the Governor in Council. Removal of a member from the Commission would require an address to the House of Commons and the Senate.

The Commission could not only investigate complaints but could initiate them also. It could appoint expert tribunals to adjudicate in anti-discrimination cases. The tribunals would be empowered to issue enforceable orders. Failure to comply with such an order could become grounds for contempt of court. The Commission would also be empowered to carry out public educational activities. 

Industrial and geographic distribution of union membership in Canada, 1975

Union membership figures in the following tables are compiled by the Labour Data Branch of Labour Canada. The basic data on national and international unions and their locals or branches are obtained, in the first instance, by Statistics Canada through the operation of the Corporations and Labour Unions Returns Act. These data, made available to Labour Canada through a co-operative arrangement, are supplemented by information collected directly by the Labour Data Branch from independent local organizations, from some unions that are not subject to the reporting requirements of CALURA, and from central labour bodies operating in Canada.

Aggregate statistical information on the labour movement in Canada is available in *Labour Organizations in Canada 1974-1975*, a handbook that contains statistical tables on union membership and a comprehensive directory of labour organizations active in Canada showing names of the principal officers, publications and the distribution of the locals. The statistical information sets forth Canada-wide totals by congress affiliation, type and size of union.

Table 1 gives the distribution of union membership by industry on the basis of the Statistics Canada Standard Industrial Classification

(1970). The locals in Table 1 are non-additive, because many locals have members in more than one industry. The information in Table 2 lists, in alphabetical order, the names of the international and national unions and the independent local organizations that account for more than one tenth of the organized workers within each of the industry groups. All organizations active within any particular industry group are thus not necessarily shown — only those having more than 10 per cent of the union membership reported in the group. Finally, Table 3 shows union membership by province.

TABLE 1 — UNION MEMBERSHIP BY INDUSTRY, CANADA, 1975

INDUSTRY GROUP	NO. OF LOCALS	TOTAL MEMBERS	TOTAL FEMALE MEMBERS
AGRICULTURE	52	3,613	383
FORESTRY	65	37,035	662
FISHING AND TRAPPING	28	3,493	42
MINES, QUARRIES AND OIL WELLS	239	62,226	940
Metal Mines	118	42,614	596
Mineral Fuels	38	9,196	108
Non-Metal (except coal mines)	38	8,328	216
Quarries and Sand Pits	35	1,564	-
Services Incidental to Mining	10	524	20
MANUFACTURING	3,868	864,656	163,022
Food	352	88,306	24,483
Beverages	100	12,839	803
Tobacco Products	20	5,478	2,640
Rubber and Plastic Products	116	22,669	4,439
Leather	68	12,120	6,360
Textile	208	35,248	12,708
Knitting Mills	28	2,953	2,181
Clothing	125	50,489	38,884

TABLE I — UNION MEMBERSHIP BY INDUSTRY, CANADA, 1975 (Concluded)

INDUSTRY GROUP	NO. OF LOCALS	TOTAL MEMBERS	TOTAL FEMALE MEMBERS
Wood	165	48,444	2,664
Furniture and Fixture Industries	106	17,874	3,726
Paper and Allied Industries	407	87,113	6,754
Printing, Publishing and Allied Industries	198	30,226	5,203
Primary Metals	220	73,627	1,389
Metal Fabricating	433	65,212	6,646
Machinery	198	39,078	3,053
Transportation Equipment	263	125,927	8,227
Electrical Products	243	66,097	21,156
Non-Metallic Mineral Products	229	32,462	3,412
Petroleum and Coal Products	37	5,857	79
Chemical and Chemical Products	237	24,761	2,149
Miscellaneous Manufacturing	115	17,876	6,066
CONSTRUCTION	649	282,760	2,760
TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES	2,471	425,861	65,539
Air Transport and Incidental Services	146	27,150	6,900
Railway Transport	790	108,043	3,269
Water Transport and Incidental Services	132	34,002	1,235
Truck Transport	146	45,027	570
Buses and Street Cars	88	27,205	522
Other Transport	27	1,442	86
Storage	54	10,365	1,063
Communication	938	118,635	44,836
Electrical Power, Gas and Water Utilities	150	53,992	7,058
TRADE	468	124,801	39,494
FINANCE, INSURANCE AND REAL ESTATE	53	6,103	4,465
COMMUNITY, BUSINESS AND PERSONAL SERVICES INDUSTRIES	2,453	638,057	369,461
Education and Related Services	856	313,323	161,740
Health and Welfare	1,174	232,031	178,664
Religious Organizations	4	418	291
Amusement and Recreation	104	38,114	4,772
Services to Business Management	41	4,289	1,166
Personal Services	59	5,364	3,154
Accommodation and Food	109	37,339	16,272
Miscellaneous Services	106	7,179	3,402
PUBLIC ADMINISTRATION	2,661	433,505	126,099
Federal Administration	1,092	176,133	49,871
Provincial Administration	794	150,315	56,014
Local Administration	774	107,006	20,214
Other Government Services	1	51	-
INDUSTRY UNSPECIFIED	11	2,352	351
TOTAL	*	2,884,462	773,218

*Non-additive

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1975

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
AGRICULTURE	Agriculture Union-PSAC-(CLC) Commerce Federation (CNTU) Food Workers (AFL-CIO/CLC) Ontario Civil Service (Ind.)
FORESTRY	Carpenters (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC) Woodworkers' Federation (Ind.)
FISHING AND TRAPPING	Food Workers (AFL-CIO/CLC) United Fishermen (CLC)
MINES, QUARRIES AND OIL WELLS	
Metal Mines	Steelworkers (AFL-CIO/CLC)
Mineral Fuels	United Mine Workers (CLC) Steelworkers (AFL-CIO/CLC)
Non-Metal (except coal mines)	International Operating Engineers (AFL-CIO/CLC) Metal Trades, Mines and Chemical Products Union (CNTU) Steelworkers (AFL-CIO/CLC)
Quarries and Sand Pits	Building and Woodworkers Federation (CNTU) Cement Workers (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC) Teamsters (Ind.)
Services Incidental to Mining	Canadian Mine Workers (CCU) Labourers (AFL-CIO/CLC) Machinists (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
MANUFACTURING INDUSTRIES	
Food Industries	Bakery Workers (AFL-CIO/CLC) Food Workers (AFL-CIO/CLC) Teamsters (Ind.)
Beverage Industries	Brewery Workers (CLC) Distillery Workers (AFL-CIO/CLC) Teamsters (Ind.)
Tobacco Products Industries	Tobacco Workers (AFL-CIO/CLC)
Rubber and Plastic Products Industries	Rubber Workers (AFL-CIO/CLC)
Leather Industries	Boot and Shoe Workers (AFL-CIO/CLC) Clothing Workers' Federation (CSD) Food Workers (AFL-CIO/CLC) Leather and Plastic Workers (AFL-CIO)
Textile Industries	Textile Federation (CSD) Textile Workers Union (AFL-CIO/CLC) United Textile Workers (AFL-CIO/CLC)
Knitting Mills Industries	Clothing Workers' Federation (CSD) Textile Workers Union (AFL-CIO/CLC)

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1975 (Continued)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
Clothing Industries	Amalgamated Clothing Workers (AFL-CIO/CLC) Ladies' Garment Workers (AFL-CIO/CLC)
Wood Industries	Carpenters (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC)
Furniture and Fixture Industries	Steelworkers (AFL-CIO/CLC) Upholsterers (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC)
Paper and Allied Industries	Canadian Paperworkers (CLC) Paper and Forest Workers Federation (CNTU)
Printing, Publishing and Allied Industries	Graphic Arts Union (AFL-CIO/CLC) Newspaper Guild (AFL-CIO/CLC) Printing and Graphic Communications Union (AFL-CIO/CLC) Typographical Union (AFL-CIO/CLC)
Primary Metal Industries	Steelworkers (AFL-CIO/CLC)
Metal Fabricating Industries	Machinists (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Machinery Industries	Auto Workers (CLC) Machinists (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Transportation Equipment Industries	Auto Workers (CLC)
Electrical Products Industries	Auto Workers (CLC) I.U.E. (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC) U.E. (CLC)
Non-Metallic Mineral Products Industries	Cement Workers (AFL-CIO/CLC) Glass and Ceramic Workers (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC) Teamsters (Ind.)
Petroleum and Coal Products Industries	Oil Workers (AFL-CIO/CLC) United Oil Workers of Canada (CCU)
Chemical and Chemical Products Industries	Chemical Workers (AFL-CIO/CLC) Metal Trades, Mines and Chemical Products Union (CNTU) Oil Workers (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Miscellaneous Manufacturing Industries	Auto Workers (CLC) Steelworkers (AFL-CIO/CLC)
CONSTRUCTION INDUSTRY	Carpenters (AFL-CIO/CLC) Labourers (AFL-CIO/CLC) Plumbers (AFL-CIO/CLC)

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1975 (Continued)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES	
Air Transport and Incidental Services	Air Line Employees (CLC) Air Line Flight Attendants (CLC) Machinists (AFL-CIO/CLC)
Railway Transport	Maintenance of Way (AFL-CIO/CLC) Railway Clerks (AFL-CIO/CLC) Railway, Transport and General Workers (CLC) United Transportation Union (AFL-CIO/CLC)
Water Transport and Incidental Services	I.L.A. (AFL-CIO/CLC) Merchant Service Guild (CLC) Railway, Transport and General Workers (CLC) Seafarers (AFL-CIO/CLC)
Truck Transport	Teamsters (Ind.)
Buses and Street Cars	Independent Local Organization Public Service Employees Federation (CNTU) Transit Union (AFL-CIO/CLC)
Other Transport	C.S.D. Directly Chartered C.U.P.E. (CLC) Ontario Civil Service (Ind.) Teamsters (Ind.)
Storage	Grain Services Union (CLC) Railway Clerks (AFL-CIO/CLC) Retail Clerks (AFL-CIO/CLC)
Communications	B.C. Telephone Workers (CLC) Canadian Telephone Employees (Ind.) Letter Carriers (CLC) Postal Workers (CLC)
Electric Power, Gas and Water Utilities	C.U.P.E. (CLC) I.B.E.W. (AFL-CIO/CLC)
TRADE	Food Workers (AFL-CIO/CLC) Retail Clerks (AFL-CIO/CLC) Retail, Wholesale Union (AFL-CIO/CLC)
FINANCE, INSURANCE AND REAL ESTATE	Commerce Federation (CNTU) Office Employees (AFL-CIO/CLC) Ontario Civil Service (Ind.)
COMMUNITY, BUSINESS AND PERSONAL SERVICES INDUSTRIES	
Education and Related Services	C.U.P.E. (CLC) Ontario Secondary School Teachers' Federation (Ind.) Québec Teachers' Corporation (Ind.)
Health and Welfare Services	C.U.P.E. (CLC) Service Employees Union (AFL-CIO/CLC) Social Affairs Federation (CNTU)
Religious Organizations	Social Affairs Federation (CNTU)
Amusement and Recreation Services	Musicians (AFL-CIO/CLC)

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1975 (Concluded)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
Services to Business Management	Labourers (AFL-CIO/CLC) Office Employees (AFL-CIO/CLC) Teamsters (Ind.)
Personal Services	Barbers Association (AFL-CIO/CLC) Barbers Federation (Ind.) Laundry Workers (CLC) Teamsters (Ind.)
Accommodation and Food Services	Hotel Employees (AFL-CIO/CLC)
Miscellaneous Services	Office Employees (AFL-CIO/CLC) Service Employees Union (AFL-CIO/CLC)
PUBLIC ADMINISTRATION AND DEFENCE	
Federal Administration	National Component-PSAC-(CLC) National Defence-PSAC-(CLC)
Provincial Administration	Alberta Civil Service (CLC) B.C. Government Employees (CLC) Ontario Civil Service (Ind.) Québec Government Employees (Ind.)
Local Administration	C.U.P.E. (CLC) Fire Fighters (AFL-CIO/CLC)
INDUSTRY UNSPECIFIED OR UNDEFINED	
	Building & Woodworkers Federation (CNTU) Canadian Paperworkers (CLC) Service Employees International (AFL-CIO/CLC)

TABLE 3 — UNION MEMBERSHIP, BY PROVINCE, 1975

PROVINCE	NO. OF LOCALS	TOTAL MEMBERS	FEMALE MEMBERS
Newfoundland	339	57,456	12,723
Prince Edward Island	85	9,451	3,147
Nova Scotia	489	90,116	23,611
New Brunswick	482	74,478	20,187
Quebec	3,330	820,716	253,941
Ontario	3,914	1,083,576	264,299
Manitoba	563	128,252	37,561
Saskatchewan	421	80,776	25,275
Alberta	672	175,150	51,823
British Columbia	1,183	357,755	79,374
Yukon and N.W.T.	45	6,736	849
TOTAL	11,523	2,884,462	773,218

comment

Essentials of an equal career opportunity program

Predominant among the reasons that women are not fairly represented along career ladders is the fact that most of the personnel practices employers hope will reflect their commitment to equal opportunity were built up within an earlier social context, and continue to mirror past values and restrict equal access to careers.

The main reason that even bona fide equal opportunity efforts have not met with greater success is, I believe, that too little attention has been paid to the mechanics of personnel practice, to the day-to-day factors affecting careers.

The following list covers what I consider to be the basic and essential elements of personnel practices intended to provide equal access to career opportunities (although a complete equal opportunity program would, of course, include other activities such as awareness training for male managers).

1. Develop and reinforce the career-related self-confidence of female employees by providing a supportive and encouraging environment.

This is the single most important challenge that must be met successfully. Many otherwise very poised and confident women unfortunately take themselves out of contention for career advancement possibilities because they are overcome by self doubt when it comes to accepting a higher

level job. Many female employees also believe, for various reasons, that they would have little chance in competition with men. The prime responsibility of the organization serious about equal opportunity is to provide realistic mechanisms to promote confidence in pursuing careers among those who have or acquire the desire.

2. Extend "informal sponsorship" to female employees. Informal sponsorship is the time-honoured practice whereby a manager spots an employee with good potential and intervenes in some positive way in that person's career. This is a practice that is natural, fills a need and works well. It should not be discarded, but should also apply to female employees.

There are various reasons that to do so is more difficult than to agree in principle. For example, many female employees simply do not find themselves as members of the employee universe in which managers are likely to notice an up-and-coming employee. To cite a frequent example, employees concentrated in a typing pool or other support unit are unlikely to come to the attention of the potential "sponsor" who has little or no chance of assessing employees of such a unit as individuals.

Extending "informal sponsorship" to female employees basically involves upgrading the organization's capabilities for identifying

potential. Here as in all other aspects of implementing equal opportunity the "how" is at least as critical as the "what", and the specific practices adopted to accomplish the upgrading must be designed in light of other valid organizational practices.

3. Provide a career counselling service. This program would play a role in the development of self-confidence, would stimulate interest in careers, develop information about careers and career paths, provide information and, of course, offer advice and guidance.

4. Fill positions through self nomination or open posting. Female employees should be given opportunities to speak up for positions they might want. In addition, the credibility of the equal opportunity program will suffer if appointments are decided in secret.

5. Evaluate performance and potential objectively. Personnel evaluation methods lacking in objectivity either in design or application provide a serious loophole that negates equal opportunity efforts.

6. Apply the equal career opportunity program to all employees regardless of sex.

—R.W. Traversy

*Policy Co-ordination Group,
Labour Canada.*

Job design and motivation

Late last year, *U.S. News and World Report* published an interview with the author of an extensive study on job satisfaction, Gerald Susman, professor of Organizational Behavior at Pennsylvania State University, who conducted numerous questionnaires to find out how people feel about their work. Although the studies are American, they do bear note in Canada as well.

Susman reveals some amazing statistics. For example, he finds that almost 20 per cent of the American work force is unhappy with its employment. In rough figures, this translates into 13 million dissatisfied working people. The reason for this dissatisfaction is not what you might expect. Figures indicate that only a small minority of "job haters" cite income as a problem. Most feel that talents and skills are not challenged or used to their full potential. Money is seen as compensation for dull and boring work.

Susman makes another interesting observation about who is dissatisfied. People in "white-collar" positions often have the same feelings as those on the factory production line. In fact, he suggests that the distinction between assembly line work at the office or in the factory is increasingly blurred. But as people move up the ladder of success, and accordingly up the chain of command, there is less and less dissatisfaction. Obviously, more responsibility makes for a more challenging job.

But, what Susman singles out as the most important factor affecting job satisfaction is working conditions or job design. Acceptable

conditions in the work place are the vital ingredient for worker motivation and in turn, for job satisfaction — or at least absence of dissatisfaction.

Women workers, as a group are more dissatisfied with their jobs than men and Susman again makes an astute observation: women have traditionally been relegated to the more menial and boring jobs. However, Susman notes that this situation is improving.

He puts responsibility for working conditions in the hands of industry. It is the owners and the managers who must take on the task of creating interesting and challenging jobs. Susman points out that it is in the best interests of management to minimize worker dissatisfaction as it often leads to absenteeism. As all businessmen know, this is a costly side effect. Susman notes that many companies are taking affirmative action to improve the situation for women and other disadvantaged groups and that many employers are open to the idea of worker participation in decision making. However, skepticism prevails in both management and organized labour circles as to the value of co-determination.

Susman goes on to point out that the "personal" effects of job dissatisfaction on the individual worker are more important than the effects on business. The work situation affects both the physical and mental health of the "job hater." Family relations and leisure time are affected. For example, results point out that one of the best predictors of longevity is job

satisfaction. Swedish studies in the same area confirm the fact that people who are satisfied in the work situation and people who have some degree of involvement in decision making are more effective and active participants in the community. It is clear that social and familial environments are directly affected by job satisfaction.

Here in Canada, the federal department of manpower and immigration has undertaken its own study on job satisfaction. The Work Ethic Study set out to establish the motivation for work of Canadians. The survey assessed the position of "work" in a personal hierarchy of values, the role of work in attaining personal goals, and commitment to work. In general, the study found that Canadians seem to be more interested in money than Americans. The desire for more money and for job security seems to increase with age. But the Canadian study concentrated more on the individual's desire or need to work. Results indicated that more than 95 per cent of the people surveyed would rather work than collect unemployment benefits, regardless of whether the person is satisfied with his or her work. Canadians are committed to work, choose work over most leisure activities and will choose to work during leisure time if the price is right. Canadian workers cited family, money and friends as the three most important goals in life. Work is seen as the means to these ends and not as an end in itself.

—Pam Wallin

Freelance writer and broadcaster, Toronto

Books

Part-time Work in the Canadian Economy

by **Marianne Bossen**,
Labour Canada, 1975

Bossen's research on part-time work is the result of Recommendation No. 28 of the **Royal Commission on the Status of Women in Canada, 1970**: "That the federal government undertake a study of the feasibility of making greater use of part-time work in the Canadian economy."

The survey follows earlier federal government studies dating from 1967: *Part-time employment in retail trade*, *Royal Commission background papers on part-time work*, Bossen's *Manpower utilization in chartered banks* (including part-time work), and Kay Archibald's *Sex and the public service* (includes part-time work for the federal government).

Forty-two organizations — 26 private and 16 public institutions which are not identified — make up the sample of firms, crown corporations and governments for Bossen's latest study. They were selected by the federal Department of Labour from industries in the manufacturing and services sectors, which employ large numbers of married women, the largest single source of part-time workers.

Statistical tables identify part-time employees in the manufacturing and retail trades; transportation and communication facilities; financial institutions; community and personal service industries; and public administration at

municipal, provincial and federal levels. Coverage for part-time employees in collective bargaining agreements, the advantages and disadvantages of part-time jobs from the employer's point of view, unions and government institutions and the availability, and limitations of, part-time jobs provide an overview of this work pattern in selected industries.

The International Labour Organization has defined part-time employment as "regular, voluntary work carried out during working hours distinctly shorter than normal." In Canada, this means less than 35 hours a week, which is the basic definition Bossen uses, but information was also collected on temporary or seasonal part-time employment. The author admits that "readily-available statistical information on part-time employment is minimal and spotty."

Bossen held interviews of two to three hours with personnel officers to secure her data. The results of her interviews indicate that most part-timers work in the retail trades, followed by municipal services. The fewest are in manufacturing. Opportunities for part-time work occur because of irregular working hours in retail stores, banks, suburban industries, and health services. She points out that part-time employment is likely to continue in these areas because of two economic considerations: the increasing demand for customer services, and the rising costs of administration. She notes that because of rising costs, some firms in the finance sector are studying and promoting

structural change in offices in favour of part-time work.

In spite of these developments, however, part-time employees face restricted opportunities in terms of career advancement because government administrators, crown corporations and large private industries provide training and career development specifically for their full-time employees; it is understood that full-time work implies career commitment.

Mobility of status from part-time to full-time also varies depending on whether part-time is a well-established feature in the work, such as in sales, health or food services, where continuous activities or peak periods are expected to occur.

Regular part-time work is limited or non-existent in program administration or administrative support services in government, although provincial and municipal government programs use part-time workers in all categories of manual, clerical, sales, technical and professional skills. Institutional obstacles such as paper work, and competitions, are cited. Although innovative and unorthodox arrangements such as job sharing worked during the War, there is no incentive for managers to try new methods of regular part-time employment. Part-timers are usually hired through temporary employment agencies.

Summaries of federal and provincial legislation covering part-time employees indicate the considerable variation among the

provinces in labour standards covering full-time and part-time workers. The absence of a consistent pattern or definition of part-time work results in the unequal treatment of part-timers. In Ontario, for example, employees who work less than 24 hours a week may be excluded from full-time bargaining units.

The analysis of 12 collective agreements in Bossen's survey that include clauses respecting part-time work indicates that trade unions have strong reservations about part-time work or oppose it, because the protection of job opportunities and pay rates for full-time workers is their priority. This opinion is not representative of all unions, however. The Canadian Union of Public Employees, for example, has established a reduced per capita tax payment for part-timers and has a policy of including part-timers in the same collective agreement with full-timers, wherever possible.

The advantages and disadvantages of part-time work and the characteristics of part-time employees in a selected range of

occupations in this study are perceived from the employers' point of view. The inevitable result, on which some conclusions are based, is that part-timers are usually women who prefer an intermittent attachment to the labour force. A broader sample of the part-time work force is necessary, which should include the views of employees, and certainly the range of occupations in educational institutions where part-time options now occur. Also not mentioned in Bossen's study are recent successful applications of part-time work in federal government departments, and their benefit to both the employers and employees involved. An important distinction, however, is made between regular part-time work and temporary part-time work, and attention is drawn to the fact that the part-time work force is a diversified population with widely differing skills and motivation.

Despite the limitations of the sample, Bossen has identified the lack of labour standards, the lack of opportunities, and the attitudes which now equate the status of part-time employee with that of second-class employee. She has

also directed attention to needed changes in pension systems so that phased retirement can be possible without the penalty of reduced pension allowances.

The priority now must be a rethinking of the function of regular part-time work to ensure equitable working conditions, and consideration for the needs and rights of both full-time and part-time employees. Also, the establishment of government projects on part-time employment can provide the experience on which to base policy changes. This has been a recurring recommendation since 1970 of status of women committees across Canada. And the deliberations of women's committees are undoubtedly as reliable as the perceptions of employers used in this contribution to the development of new work patterns in Canada.

— Evelyn Bayefsky

Evelyn Bayefsky is chairman of a sub-committee on part-time employment for the Toronto Board of Education and is a part-time reference librarian for the board.

Research Notes

Collective bargaining

Collective Bargaining, U.S. Council on Wage and Price Stability, February, 1977.

Job security and other non-wage concerns will be the dominant issue in U.S. collective bargaining negotiations this year. Workers in five of the six major industries that will be bargaining are among the

higher paid hourly workers in the economy, and most of them have obtained increases well in excess of inflation in recent years. They can be expected, therefore, to give higher priority to protecting what they have already won than to additional large wage increases.

Earnings

Policy Review and Outlook, 1977,

by Judith Maxwell. C.D. Howe Research Institute, March, 1977.

Between 1969 and 1975 the average Canadian enjoyed a larger increase in real purchasing power than people in other major industrial countries. The chief reason for this has been the decline in the number of dependants in most families, as many married women and young people have started

their own careers. As a result of trends in the birth rate, this decline is now coming to an end. Consequently, the average increase in real disposable income per capita will be smaller in the 1975-85 period.

Flexitime

"Flexible Schedules: Problems and Issues" and other articles, *Monthly Labor Review*, February, 1977.

Flexible hours are proving popular with employees of a drug company, a computer firm, and a government agency, according to case studies reported in the U.S. Department of Labor's monthly publication. A summary article discusses the three case studies and lists problems relating to them.

Manpower

"Identifying Sources of Imbalance in Individual Labour Markets", by Noah M. Meltz. *Relations Industrielles*, Vol. 31, No. 2, 1976.

A two-stage approach is suggested for utilizing available data to identify the degree and sources of imbalance in individual labour markets. The framework is applied to three Toronto occupations — auto mechanics, sewing machine operators, and packaging hands — providing a basis for policy proposals to reduce imbalances in these occupations.

"La Main-d'oeuvre hautement qualifiée au Canada", by Avigdor Farine. *Relations Industrielles*, Vol. 31, No. 2, 1976.

Some 2.9 per cent of the Canadian population hold university degrees, though there are wide variations by province and industry. An analysis of occupations held five to ten years after graduation reveals that specific occupations may be held by individuals coming

from a variety of trainings. This contributes to the complexity in analyzing the education-employment relationship and to difficulties in manpower forecasting.

Productivity

"Recent Developments in Aggregate Labour Productivity", by Larry Blain. *Bank of Canada Review*, January, 1977.

The decline in productivity in Canada during the 1974 recession was abnormally large. Moreover, the rapid improvement that might be anticipated in a recovery phase has failed to materialize. A possible explanation for this recent slowdown is "labour hoarding." There are some indications that employers were reluctant to release workers in what was forecast to be only a mild recession and an unintended accumulation of labour could well have continued into the recovery since the growth that occurred was again substantially below forecasts.

Economic Report of the President, Washington, D.C., January, 1977.

Over the past decade, U.S. productivity growth has shown a marked decline. This slower advance may have contributed increased inflationary pressures and may have led to lower growth in real wages. Slower growth in capital per worker, a larger proportion of less experienced workers in the labour force, and the changing industrial composition of the work force have all contributed to this slowdown.

Strike activity

"Strike Settlement and Economic Activity: An Empirical Analysis", by R. Swidinsky. *Relations Industrielles*, Vol. 31, No. 2, 1976.

Between 1912 and 1953, Canadian workers were at least partially victorious in two thirds of all disputes over wage increases. Strikes against wage reductions were somewhat less successful, as were strikes involving union principles. Least successful were strikes over hours and working conditions. Generally, union strike success tended to decline as the pace of economic activity increased. However, during inflationary periods, the probability of winning strikes was found to be greater.

"Distribution and Concentration of Industrial Stoppages in Great Britain". *Department of Employment Gazette*, November, 1976.

Over the years 1971-1973, only 2 per cent of the manufacturing plants in Great Britain incurred work stoppages in any one year. Of the plants which experienced stoppages, 5 per cent accounted for about one quarter of the total and a similar proportion accounted for two thirds of the working days lost.

Unemployment insurance

Comprehensive Review of the Unemployment Insurance Program in Canada. Unemployment Insurance Commission, February, 1977.

This study is the first major empirical assessment of the impact that the unemployment insurance program has had on the economy and society. The report examines the distribution of benefits by province, occupation, and industry, and analyzes the extent to which the program has served to redistribute income between individual and family income groups. The study also estimates the impact of the proposed changes in the program's benefit structure and entrance requirements.

Layoff legislation

"Préavis de licenciement collectif: l'expérience québécoise", by Jean Sexton and Jacques Mercier. *Relations Industrielles*, Vol. 31, No. 2, 1976.

Quebec legislation requires any

employer who, for technological or economic reasons, foresees having to lay off 10 or more workers, to give advance notice to the Minister of Labour and Manpower. From an analysis of the principles underlying the legislation, and from empirical study, the authors conclude that, while the

legislation is a significant first step, it has shortcomings in principle and in practice.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Civil service

Hodgetts, John Edwin. *Histoire d'une institution; la Commission de la Fonction publique du Canada, 1908-1967*, par J.E. Hodgetts et autres. Québec, Les Presses de l'Université Laval, 1975. 581p.

Collective bargaining

Weatherford, John W. *Collective bargaining and the academic librarian*. Metuchen, N.J., Scarecrow Press Inc., 1976. 147p.

A primer of collective bargaining for academic librarians, based on the author's experience as a negotiator and his analysis of librarians' negotiations at twenty American universities. Outlines future prospects in collective bargaining

for academic librarians and potential effects on their professional role and personal welfare.

Fringe benefits

Canada. Advisory Council on the Status of Women. *Fringe benefits*. Ottawa, 1976. 16, 16p. Titre en français: *Les avantages sociaux*.

A brief analysis of the ways in which women are discriminated against in present fringe benefit legislation. Makes suggestions toward further improvements.

Industrial relations

Montel, Jean Michel. *Transformations du travail industriel: éléments pour des scénarios de société*, rédigé par Jean-Michel Montel et Gérard Le Gall. Paris, Documentation française, 1975. 95p.

Rollier, Matteo. *The organization of work and industrial relations in the Italian engineering industry*. Geneva, International Institute for Labour Studies, 1976. 14p. (International Institute for Labour Studies. Research series no. 18)

Seidman, Joel Isaac. *Industrial relations systems of the United States and New Zealand: a comparison*. Honolulu, Industrial Relations Center, University of Hawaii, 1975. 18p. (University of Hawaii. Industrial Relations Center. Occasional publication no. 112)

Labour Supply

Smith, David Chadwick. *The dual labour market theory, a Canadian perspective*, by David C. Smith. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 38p. (Research and current issues series no. 32)

Explores the dual labour market theory from a Canadian perspective as a potential source of new insights into the problems of low income and disadvantaged workers, and of new directions for Canadian labour market policy.

Labour turnover

Portis, Bernard. *Reducing labour turnover in the Canadian shoe industry*. London, School of Business Administration, University of Western Ontario, 1976. 52p.

An analysis of the extent, causes and costs of labour turnover in the shoe industry in Ontario and Quebec. Recommends procedures for reducing the high level of turnover, including improved initial selection of employees, more effective training of personnel, and the development of a higher degree of management skills.

Mediation and conciliation

Robins, Eva. *A guide for labor mediators*, by Eva Robins with Tia Schneider Denenberg. Honolulu, Industrial Relations Center, College of Business Administration, University of Hawaii, 1976. 96p. (University of Hawaii. Industrial Relations Center. Title 1, publication 22)

A guide designed primarily for persons entering the field of labour-management mediation and for persons without experience in public sector mediation. The process of mediation is explained, and some of the problems commonly faced by mediators of labour disputes are discussed. Case examples are used to illustrate specific techniques that may be employed at different stages. Recent developments in mediation techniques are summarized.

Productivity of labour

U.S. National Commission on Productivity and Work Quality. *Employee incentives to improve state and local government productivity*. Washington, G.P.O., 1975. 147p.

A survey of employee incentive programs in state and local

governments in the U.S. Indicates the extent and types of usage of employee incentives, and gives examples by type. Guidelines for the design, implementation and evaluation of incentive programs are suggested. The study concludes with a discussion of problems associated with the use of employee incentives in government, including the lack of formal, systematic evaluations.

Quality of working life

Burbidge, John L. *Group production methods and humanization of work: the evidence in industrialized countries*. Geneva, International Institute for Labour Studies, 1976. 18p. (International Institute for Labour Studies. Research series no. 10)

Delamotte, Yves. *The attitudes of French and Italian trade unions to the "humanization of work."* Geneva, International Institute for Labour Studies, 1976. 14p. (International Institute for Labour Studies. Research series no. 14)

Delamotte, Yves. *The French approach to the humanization of work*. Geneva, International Institute for Labour Studies, 1976. 10p. (International Institute for Labour Studies. Research series no. 6)

Seashore, Stanley Emanuel. *Assessing the quality of working life: the U.S. experience*. Geneva, International Institute for Labour Studies, 1976. 11p. (International Institute for Labour Studies. Research series no. 15)

Takezawa, Shin'ichi. *The quality of working life: trends in Japan*. Geneva, International Institute for

Labour Studies, 1976. 20p. (International Institute for Labour Studies. Research series no. 11)

Thorsrud, Einar. *Democracy at work and perspectives on the quality of working life in Scandinavia*. Geneva, International Institute for Labour Studies, 1976. 15p. (International Institute for Labour Studies. Research series no. 8)

Weil, Reinhold. *Alternative forms of work organization: improvements of labour conditions and productivity in Western Europe*. Geneva, International Institute for Labour Studies, 1976. 25p. (International Institute for Labour Studies. Research series no. 4)

Women in labour unions

Wertheimer, Barbara, M. *Search for a partnership role: women in labor unions today*. Ithaca, N.Y., 1976. p.183-209. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 387)

A discussion of where women are today in the work force and labor unions in the U.S. Focuses especially on the new momentum which recently culminated in the formation of the National Coalition of Labor Union Women (CLUW). A number of key questions which particularly concern union women are discussed in the concluding section.

Work

Matejko, Alexander J. *Overcoming alienation in work*. Meerut, India, Sadhna Prakashan, 1976. 340p.

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, March

The Consumer Price Index for Canada (1971 = 100) advanced 1.0 per cent from 155.4 in February to 157.0 in March, and was 7.4 per cent above its level of March, 1976. Higher prices for petroleum products were responsible for about one quarter of this increase while for the fourth consecutive month, a rise in the food index contributed to an additional one quarter. The food index increased 0.9 per cent and the index for all items, excluding food, rose 1.0 per cent. The 0.9 per cent increase in the food index was due mainly to higher prices for fresh fruit, fresh milk, coffee, bakery products and restaurant meals. The index for food consumed at home advanced 0.8 per cent in the latest month and 4.7 per cent in the three-month period between December 1976 and March 1977. Higher prices for both gasoline and fuel oil were a large contributing factor in the 1.0 per cent increase in the index for all items excluding food. Price increases were also registered for many seasonal clothing items, plane fares, postage, cigarettes and in some urban centres for electricity and local transit fares.

In terms of goods and services, the price level of goods, including food, increased 1.2 per cent in the latest month while that for services rose by 0.7 per cent. Between March 1976 and March 1977, the price level of services advanced 5.9 per cent.

City consumer, March

Consumer price indexes rose in all

regional cities in March, with increases ranging from 0.6 per cent in Quebec and Vancouver to 1.5 per cent in Saskatoon. Higher prices for petroleum products, fresh produce, restaurant meals, and postage were major contributors to these increases. Other important factors included higher prices for clothing, cigarettes and shelter. The percentage increases listed in all 14 regional cities in March were: 0.6 in Quebec and Vancouver; 0.8 in Thunder Bay and Winnipeg; 0.9 in Montreal; 1.0 in Calgary and Toronto; 1.1 in Ottawa; 1.2 in St. John's; 1.3 in Halifax, Saint John and Regina; 1.4 in Edmonton; 1.5 in Saskatoon. The percentage increases from March 1976 to March 1977 were: 6.7 in Thunder Bay; 6.9 in Halifax and Toronto; 7.1 in St. John's and Saint John; 7.2 in Vancouver; 7.7 in Calgary; 7.9 in Winnipeg; 8.0 in Ottawa and Saskatoon; 8.2 in Quebec; 8.3 in Montreal; 8.8 in Edmonton; 9.6 in Regina.

Employment, March

The seasonally adjusted national employment level in March was 9,672,000, an increase of 16,000 from February, Statistics Canada reported. The level increased by 15,000 for women 25 years of age and over and by 10,000 for women 15-24 years old. It declined by 8,000 for men 25 years of age and over but showed little change for men aged 15-24. By province, the seasonally adjusted employment level increased in Ontario by 12,000; in Nova Scotia by 5,000; in Newfoundland by 4,000; and in

Quebec, Manitoba and Saskatchewan by 3,000. It decreased in Alberta by 7,000. In Prince Edward Island, New Brunswick and British Columbia there was little or no change.

Unemployment, March

The seasonally adjusted unemployment rate for March (856,000) increased by 0.2 per cent to 8.1 per cent. For men aged 15-24, the rate increased by 0.4 per cent to 14.9 per cent and decreased by 0.1 per cent to 14.1 per cent for women in the same age group. The rate increased by 0.2 per cent to 4.9 per cent for men 25 and over and by 0.3 per cent to 7.3 per cent for women 25 and over. By province, the unemployment rate increased by 1.0 per cent to 16.1 per cent in Newfoundland; by 0.9 per cent to 9.9 per cent in Prince Edward Island; by 0.7 per cent to 11.7 per cent in Nova Scotia; by 1.3 per cent to 14.3 per cent in New Brunswick; by 0.3 per cent to 10.0 per cent in Quebec; by 0.3 per cent to 7.1 per cent in Ontario; by 0.9 per cent to 4.6 per cent in Saskatchewan; by 0.5 per cent to 4.5 per cent in Alberta; and by 0.6 per cent to 8.8 per cent in British Columbia. In Manitoba the rate decreased by 0.3 per cent to 5.7 per cent.

Earnings, February

Average weekly earnings in Canadian industry were \$241.30 in February, an increase of 9.7 per

cent from \$220.02 a year ago.

Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$274.34; Alberta, \$254.57; Ontario, \$240.16; Quebec, \$235.74; Newfoundland, \$232.70; Saskatchewan, \$227.88; New Brunswick, \$223.24; Manitoba,

\$219.66; Nova Scotia, \$207.77; and Prince Edward Island, \$187.92.

Average weekly earnings in February, by industry division, were: construction, \$348.09; mining, \$337.65; forestry, \$333.71; transportation, communication and other utilities, \$281.52;

manufacturing, \$257.55; finance, insurance and real estate, \$222.12; trade, \$185.12; and service, \$167.64. Compared with February a year ago, average hourly earnings increased 11.4 per cent in manufacturing, 11.3 per cent in construction, and 9.5 per cent in mining.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*				
Week ended February 19, 1977		(unadjusted figures, in thousands)		
Employed.....	February 1977	10,222	+ 0.7	+ 2.4
Agriculture.....	" "	9,290	+ 0.3	+ 1.2
Non-agriculture.....	" "	428	+ 1.1	+ 2.3
Paid workers.....	" "	8,883	+ 0.4	+ 1.1
At work 35 hours or more.....	" "	9,249	+ 0.7	+ 11.2
At work less than 35 hours.....	" "	6,871	+ 11.2	+ 1.5
Employed but not at work.....	" "	1,912	+ 26.0	+ 1.0
		506	+ 3.0	+ 6.0
(change in thousands)				
Unemployed.....	February 1977	932	+ 43	+ 132
Newfoundland.....	" "	30	+ 1	+ 5
Nova Scotia.....	" "	42	+ 8	+ 13
Prince Edward Island.....	" "	6	+ 1	—
New Brunswick.....	" "	37	—	+ 6
Quebec.....	" "	303	+ 29	+ 48
Ontario.....	" "	316	+ 27	+ 54
Manitoba.....	" "	33	+ 2	+ 8
Saskatchewan.....	" "	21	+ 2	—
Alberta.....	" "	40	+ 10	+ 3
British Columbia.....	" "	103	+ 9	+ 6
Without work, seeking work and available for work.....	" "	837	+ 59	+ 131
percentage change				
INDUSTRIAL EMPLOYMENT (1961 = 100) ^r	November 1976	145.8	- 0.3	+ 3.5
Manufacturing employment (1961 = 100) ^r	" "	127.6	- 0.8	+ 1.4
IMMIGRATION.....	Calendar year 1976	149,429	—	- 20
Destined to the labour force.....	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	January 1977	95	- 20.9	- 38.4
No. of workers involved.....	" "	26,820	- 40.9	- 51.1
Duration in man days.....	" "	201,700	- 22.2	- 75.3
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	November 1976	236.57	+ 0.7	+ 10.9
Average hourly earnings (mfg.) ^r	" "	5.98	+ 1.0	+ 13.3
Average weekly hours paid (mfg.) ^r	" "	39.1	+ 0.5	+ 0.3
Consumer price index (1971 = 100).....	February 1977	155.4	+ 0.8	+ 6.7
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^r	November 1976	154.3	+ 1.4	+ 7.4
Total labour income (millions of dollars) ‡.....	January 1977	8,987.7	- 2.6	+ 12.9
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100).....	January 1977	121.5	+ 0.2	+ 4.0
Manufacturing.....	" "	120.2	+ 0.6	+ 3.6
Durables.....	" "	122.1	—	+ 2.3
Non-durables.....	" "	118.4	+ 1.2	+ 5.0
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	January 1977	11,470	—	- 8
Completions.....	" "	14,564	—	+ 6
Under construction.....	" "	168,212	—	+ 14

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

†Advance data

‡Preliminary

*Centres of 10,000 population or more

†Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, JANUARY 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971.....	547	569	239,631	2,866,590	0.16
1972.....	556	598	706,474	7,753,530	0.43
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976*.....	913	1,030	1,582,631	10,624,130	0.50
1976*					
January.....	35	154	54,756	813,660	0.47
February.....	53	156	150,369	573,770	0.35
March.....	83	157	172,608	432,270	0.23
April.....	75	153	303,957	669,470	0.38
May.....	96	168	265,912	653,010	0.38
June.....	125	233	187,524	1,131,820	0.59
July.....	69	183	78,020	1,271,320	0.68
August.....	78	193	89,791	942,950	0.50
September.....	54	175	136,027	1,738,990	0.97
October.....	49	155	904,953	1,646,500	0.92
November.....	39	129	51,260	491,380	0.26
December.....	37	120	45,352	258,990	0.14
1977*					
January.....	40	95	26,820	201,700	0.12

*Preliminary

WORK STOPPAGES BY INDUSTRY, JANUARY 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		
		Number	Workers involved	Duration in man-days
Agriculture.....	0	0	0	0
Forestry.....	0	0	0	0
Fishing.....	1	1	950	19,950
Mines.....	2	5	1,967	12,550
Manufacturing.....	19	51	20,041	123,460
Construction.....	2	4	144	1,060
Transp. & Utilities.....	5	9	743	8,300
Trade.....	3	11	417	4,800
Finance.....	0	1	50	1,050
Service.....	7	12	2,504	30,520
Public Admin.....	1	1	4	10
Various industries.....	0	0	0	0
TOTAL.....	40	95	26,820	201,700

WORK STOPPAGES BY JURISDICTION, JANUARY 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		
		Number	Workers involved	Duration in man-days
Nfld.....	1	1	950	19,950
P.E.I.....	0	0	0	0
N.S.....	0	1	23	100
N.B.....	2	2	225	390
Québec.....	10	39	7,088	110,130
Ontario.....	13	29	15,975	45,610
Manitoba.....	2	4	487	5,430
Saskatchewan.....	3	3	556	3,210
Alberta.....	0	4	451	8,970
B.C.....	5	7	657	6,050
Yukon & N.W.T.....	0	0	0	0
Total, provinces.....	36	90	26,412	199,840
Federal				
Public Service(1).....	0	0	0	0
Federal Industries(2).....	4	5	408	1,860
Federal total.....	4	5	408	1,860
TOTAL.....	40	95	26,820	201,700

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1974-75 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1975.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31, 1967. (Changes in workmen's compensation laws are published yearly and are available free on request). (English or French). Price \$1.00. Cat. No. L34-1969.

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

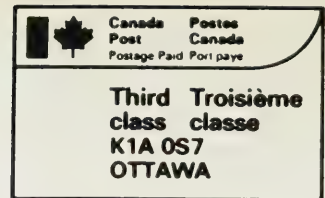
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 50,000 selected holdings of Technical Library. Accident Prevention Division, 1976. Free.

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Labour
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**Should pension plans be indexed
to the cost of living?**

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Minister

T.M. Eberlee

Deputy Minister

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**Labour
Canada**

**Travail
Canada**

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newsline

COLLECTIVE BARGAINING

Interns in B.C. sign first agreement

Two significant rulings regarding residents and interns in teaching hospitals were reached in July 1976.

The B.C. labour relations board granted certification to the Professional Association of Residents and Interns (PARI) to represent 100 of its members at St. Paul's Hospital in Vancouver. And arbitrator, Owen Shime, ruled that 2,400 residents and interns in Ontario have status as both students and employees.

Interns are graduates of a medical school who are spending a qualifying year in a hospital before they are permitted to practice outside one. Residents are fully-qualified medical doctors entitled to practice but who are undergoing training as specialists or family practitioners.

In the B.C. decision, labour board chairman Paul Neiler found "no exclusion from the labour code on the ground that someone is a student. The only relevant question is whether an individual is an employee within the code.

"The hospital pays the residents on a regular, two-week basis, subject to standard payroll deductions, provides certain welfare

benefits, and allows paid statutory holidays and annual vacations. In return, the house staff provides extensive medical care to the patients...all the normal indices of employee status are satisfied."

The decision left the way open for all 310 residents and interns at seven teaching hospitals in B.C. to become PARI members.

PARI has just negotiated its first agreement under its bargaining certificate.

It provides for a six per cent increase in salaries (stipends, as they're called in the hospital business). This will apply to 1976 scales as follows: Resident 1, \$11,493; R 2, \$13,022; R 3, \$14,172; R 4, \$15,265; R 5, \$16,423; R 6, \$17,544.

The hospitals will pay 100 per cent of the cost of a dental plan, under which the residents and interns will have 80 per cent of routine dental work and 50 per cent of more specialized work such as crowns and bridges paid for by the insurer.

For the PARI members, a new work schedule clause is considered a breakthrough. It says: "A resident-intern shall be scheduled by the hospital to work on site a reasonable number of hours. The hospital will undertake to limit the average number of hours, having due regard for sound patient care and treatment and the educational requirements of the resident-intern programme. In addition the

hospital will recognize a schedule which provides on average on-site duty of one night in three and one weekend in three. If a resident-intern considers the average hours worked are in excess of a reasonable limit, he or she may bring this matter to the attention of an appeals committee. The committee will be composed of one member from the College of Physicians and Surgeons (who will be the chairman), one member nominated by the hospital and the other member nominated by PARI. The decision of this committee will be final and binding."

The agreement will run for one year.

In the Ontario ruling, Shime rejected an argument from the Ontario Council of Administrators of Teaching Hospitals that the interns and residents are students and hence should not be considered as employees.

The Council wanted to be relieved of any responsibility to negotiate with the Professional Association of Interns and Residents of Ontario. Shime recommended, instead, that improved negotiation mechanisms be developed.

In Quebec, interns and residents have had collective bargaining rights for several years, including the right to strike.

Steel pact

The steel industry's no-strike pact, adopted in 1973, will continue for another three years in exchange for modest wage increases and improved job security benefits for older workers, negotiated in an agreement ratified in April.

The contract covers 340,000 workers employed by the 10

biggest steel producers. About 400 of the employees are in Canada — 90 at Union Drawn Steel in Hamilton and about 310 at Marmoraton Mining at Marmora, Ont.

The settlement boosts earnings of all the workers covered, by 40 cents an hour this year in two steps, with additional 20-cent hourly increases in each of the second and third years.

It breaks new ground in providing a varied package of job security benefits aimed especially at workers with 20 or more years on the job, including optional earlier retirement, supplemental pension benefits for those who retire early because of lay off or disability, and extended supplemental unemployment benefits and disability coverage. Union negotiators describe these as a “major step” towards the union’s goal of lifetime job and income security for its members.

Another gain towards that goal was a provision on contracting out of work. It calls for the establishment of a review commission and safeguards against income losses for workers who may be affected. Steelworker trade and craft members will be guaranteed 40 hours pay per week at their standard hourly wage rates during any week in which trade and craft employees of outside contractors are doing trade and craft work in the plant on other than new construction or major reconstruction.

The pension increase provided in the agreement is \$2.50 a month for every year of service. Layoff pay increases to up to \$170 a week for one year, and the employers’ contribution to the layoff fund increases by 20 per cent.

Under the voluntary no-strike pact,

which the agreement continues, unresolved issues are submitted to an arbitration panel.

Mixing sexes

Women achieved faster settlement than men in simulated labour-management negotiations involving 132 students at Indiana University. James A. Wall Jr., of the university’s department of organizational behaviour said the final outcome was usually similar for female and male negotiators but the males took twice as many rounds of bargaining to achieve it. He found, however, that negotiations took even longer and were more frequently deadlocked when a male negotiator bargained on behalf of women “union members” with a female negotiator for a male “management”. Wall found a male negotiator unwilling to make the last concession to a female bargainer, apparently not wanting to lose face before the female he faced and the females he represented. Observed Wall: “The results of this study suggest that mixing sexes in intergroup bargaining begets recalcitrance at the bargaining table.”

UNIONS

Teamsters, Farm Workers end dispute

The Teamsters and United Farm Workers unions have ended their bitter jurisdictional dispute over U.S. agricultural workers. Under an agreement covering California and 11 other states, the Farm Workers are free to organize field hands without interference from the Teamsters, who will have jurisdiction over canners, packers and truck drivers. The unions announced March 22 that they will

honour each other’s picket lines, support each other’s organizing efforts, and co-operate in seeking legislation to broaden farm workers’ rights to union representation.

Railway association brief

The Canadian Railway Labour Association, which represents 17 unions with railway employees in their membership, asked for the immediate removal of wage and price controls in its 1977 submission to the federal cabinet. The submission also asked that any national transportation policy adopted by the government be “an instrument of public policy and not of private profit”, encouraging and not obstructing “the free flow of people and goods in Canada.”

The submission called for subsidization of inter-city and inter-urban rail passenger service where it is in the public interest to ease highway congestion, improve the quality of life and cope with pollution problems caused by other forms of private and public transportation.

The Association said the present transcontinental rail passenger service should be maintained and improved. The passenger train has a promising future, the brief contended, and could offer society an attractive service package for all types of transportation.

It also called for public hearings on abandonment of any Prairie branch lines or other operational or structural changes, and the protection of all benefits to present railway employees and compensation for communities and individuals for losses suffered because of abandonments or changes.

Also advocated were adequate

protection of rail workers from health hazards, retention of the statutory grain rates, co-ordination of all types of public transportation to meet the needs of society today and in the future, and the construction of a railway to the Arctic, which would have "less effect on the northern environment than a pipeline."

PERSONNEL MANAGEMENT

P.A.T. annual spring conference

New attitudes toward work and achievement, and the problems they bring to human resources management, were underlying themes of much of the discussion at this year's annual spring conference of the Personnel Association of Toronto.

Kenneth Taddeo, a principal and member of the human resources group in the Toronto office of P.S. Ross & Partners, spoke of a new work ethic that is starting to emerge. He said it is not a non-work ethic, as some people fear, but an ethic concerned with the quality of work. John Howard, an associate professor of behavioural science at the University of Western Ontario, said "making a life" was replacing "making a living" as an ethic for managers. And Warren Bennis, president of the University of Cincinnati, who spoke on the current "leadership crisis", said managers need adaptability to cope with misunderstandings about attitudes toward work. "The best kept secret," he said, "is that people prefer to work at something they believe in rather than enjoy a pampered idleness."

Taddeo, who is project manager for three quality-of-work life experiments in the federal government, said such experiments are

seeking to meet both the employer's need for productivity and the employee's desire for job satisfaction. To be effective, however, they must involve the employees in decision-making, provide compensation according to their contribution to production, and ensure workers that their jobs or incomes will not be threatened. He said that where demonstration projects have failed, it was likely they had not met these criteria.

Howard said managers, as well as lower-level workers, are taking a new attitude toward work. Many now believe that the rewards for success cannot compensate for its high cost in terms of damage to physical and mental health as well as to personal life. There have been trends toward earlier retirement, turning down promotions, a decline in corporate loyalty, less willingness to move geographically, and even an interest in collective bargaining for management people. He said industry still needs highly ambitious managers who can provide maximum return on their company's investment in them. But such managers need to adapt their behaviour and attitudes so as to avoid the stress and risks often associated with high achievement. Their work stress, he said, often leads to heavy smoking and increasing danger of heart disease, and employers need to recognize in their corporate policy the stress faced by management people.

Bennis said personnel management has become crucial today because only one per cent of the United States work force is self-employed while 99 per cent are employed in some kind of corporate structure. Another factor is that to more and more people, work is taking on the character of "uselessness". He said that is true at all levels, including the executive level. "Institutions need

broader perspectives to deal with today's dense and turbulent atmosphere," he added. "They need to take into consideration the attitudes of people who don't feel appreciated or understood by large-scale institutions."

Silas P. Smith, president and chief executive officer of Petrosar Ltd., described the organizational climate of the work place as a powerful influence on productivity, and said it should exhibit "opportunities for broad participation in the management of the work effort and genuine respect for the rights and values of individuals at all levels."

Owen Shime, one of Canada's best known arbitrators, agreed that there are problems in the existing system of disputes arbitration, including lengthy delays, but replacing it with a government tribunal would not necessarily solve them, he said. Despite its limitations, Ontario has one of the best arbitration systems in North America, Shime asserted.

EARNINGS

Canada - U.S. comparisons misleading

Clayton Sinclair, a staff writer for the weekly *Financial Times of Canada*, says there are several reasons that it is impossible to compare Canadian and U.S. wage settlements: Canada uses the base rate — the wage paid the least skilled worker in the bargaining unit — while the U.S. uses the average rate of all workers in the unit when it calculates increases. Canada includes major public service settlements, while the U.S. does not. Canada also includes wage settlements for nurses and teachers, which are excluded from

the U.S. figures. The U.S. statistics include the construction industry while the Canadian figures do not. A larger proportion of U.S. agreements include cost-of-living-allowances which are not included in the U.S. reports on wage increases. Moreover, U.S. workers tend to defer more of their compensation, in pensions for example, or to assign it to health, vacation or other programs, and company contributions toward such programs are not reported in the wage settlement figures.

"If Canadian and U.S. wage settlement data were compiled on the same basis, and if workers on both sides of the border took the same percentage of fringe benefits as they did hard cash, the picture would change," Sinclair writes. "Instead of appearing to be lower, the average gains made by U.S. workers and reported by Washington would more closely resemble what happens in Canada."

"Some experts suggest that the average built-in distortion between the U.S. and Canadian figures amounts to three percentage points," he adds.

Middle management

A survey by the U.S.-based Administrative Management Society found Canadian middle managers earned slightly higher average salaries last year than their U.S. counterparts — \$17,948 to \$17,668. The average salary for each of the 20 position categories covered in the survey ranged between \$12,900 and \$23,700 in Canada and between \$14,000 and \$23,700 in the U.S.

A report on the survey, by Donald Rumball in *The Financial Post*, a Toronto weekly, notes that "in 16 of the 20 positions surveyed, the

dollar amount of the increase in average salary was larger in Canada — in percentage terms the Canadian increase was bigger in 14 of 20 positions."

All salaries were those in effect on Sept. 1, 1976. The Canadian sample covered 4,168 middle managers in Montreal, Toronto, Calgary, Hamilton, Ottawa, Brantford, Ont., and Grand Valley, Ont.

Auditors averaged the greatest increase in salary — up by 35 per cent to \$20,100, exceeding the U.S. average for auditors by \$3,500.

PRODUCTIVITY

1976 gain

Canada last year registered its biggest annual gain in labour productivity since 1973, according to Statistics Canada. Preliminary estimates of output per man-hour for all commercial industries showed a growth of 2.9 per cent in 1976 after only fractional gains the previous two years.

However, Canada's gain did not compare with that in the U.S., where estimates of output per employee hour in non-financial corporations indicated a 4.0-per-cent increase, after a 2.8-per-cent gain in 1975 and a decrease of 3.0 per cent in 1974.

Canada's 1975 improvement reflected a growth of 5.1 per cent in output — after a decrease of 0.5 per cent in 1975 — with an increase of only 2.1 per cent in man-hours. Unit labour costs rose by 9.5 per cent in 1976. That was the smallest annual increase since 1973, but was double the average annual rate of growth in unit labour costs over the entire 1961-76 period.

Output per man-hour in Canadian manufacturing rose by 2.3 per cent compared with a 1.5-per-cent increase in 1975 and 0.1 per cent in 1974. Total output in manufacturing rose in 1976 by 4.7 per cent — it had decreased by 4.9 per cent in 1975 — and unit labour costs rose by 9.0 per cent.

U.S. output in all non-financial corporations rose by 7.3 per cent last year, employee hours by 3.2 per cent — after a 5.8-per-cent decrease the previous year — and unit labour costs by only 3.6 per cent.

The data for the two countries were published shortly after a report by a Toronto firm of business consultants, Pitfield, Mackay Ross and Co. Ltd., suggested that the federal government should take steps to improve business confidence and productivity if Canada is not to suffer a serious economic setback. It questioned the real effectiveness of consumer spending as a stimulus, arguing that spending growth primarily arises from inflationary wage gains and increasingly this is being directed to imports which are cheaper than local products.

The study concluded that the declining price competitiveness is particularly apparent in manufacturing, which tends to be labour-intensive. The study found "ample evidence" Canadian wage rates are continuing to rise more rapidly than those in the U.S., but noted that Canadian pay increases have been decelerating while those in the U.S. are accelerating.

LABOUR EDUCATION

Paid leave for Auto Workers

Paid educational leave for courses in union leadership is provided for

in a tentative agreement reached March 20 by negotiators for the United Auto Workers and Rockwell International (Canada). The agreement covers 1,000 workers in Chatham, Ont., and Milton, Ont. The company will contribute one cent an hour for each hour worked by each employee to a fund that will be used to educate selected union members in a training course designed by the union.

Union sources estimate the company contribution at \$60,000 during the life of the contract. It will be used to cover time lost from work, travel, lodging and meals. About 15 members from each local will take 20 days training — extended over 20 months — under the program.

It is believed to be the first Canadian collective agreement providing paid educational leave for union leadership training courses. The practice has been accepted for several years in other countries including Britain, Australia, Sweden, France and Germany.

WORKING TIME

Benefits of Flextime

An article in *Canadian Business* discusses the pros and cons of flexible working hours and concludes that the benefits outweigh the negative aspects. Donald R. Siddall, who based his article on both European and North American studies, listed these pros: increased production; more responsible employees who do more work during their hours on the job; reduced absenteeism; improved recruiting; less need of supervision, and even the possibility of reduced supervisory staff; better service to clients, since

shops and offices are open for more hours; less tension and guilt, since an employee may stay to finish a task that otherwise might be left unfinished; less congestion on highways, buses, subways and even in parking lots, elevators and restaurants; and a reduction in gasoline consumption because automobiles spend less time travelling the same distance when there is less traffic.

Siddall says the negative features could be reduced by management and that the most negative of all is the impact on first-line supervisors: "Their roles change. They no longer have the same ability to police their subordinates; they must display real management skills such as planning and conflict resolution." He lists these other cons: the problems involved in ensuring that enough staff are available during all work hours, particularly telephone operators, chauffeurs and production-line workers; company policies on overtime, dinner pay, sick time, and so on, may have to be changed; possible extra heating and lighting costs if staff are in premises during more hours each day; possible replacement of existing time recording equipment; disruption of internal communication: "People aren't there when you want them; therefore meetings must be scheduled only during the shorter core period. Moreover, there is a lower probability that spontaneous meetings will occur."

Siddall also raises the possibility that the positive effects noted after the introduction of flexible hours may come about from the mere fact that routines have changed. Hence employers using flexible hours "should be monitoring the effects from an objective point of view to determine what the impact is, and if it remains."

EMPLOYMENT


Growing reluctance to move

United States residents appear to be more reluctant to move themselves and their families for a promotion or a new job than at any time since the Second World War.

The U.S. census bureau found an address-change rate of 17.7 per cent in the year ended March 1976. That compares with 18.7 per cent in 1971, 19 per cent in the late 1960s, and 20 per cent throughout the 1950s and early 1960s.

U.S. News and World Report notes several reasons for this trend: "Better roads have increased the distances people can drive to work without changing address. Workers have paid more heed to disruptions to family life caused by moving. In two-breadwinner families, the loss of a second income until the spouse finds work in a new city undoubtedly discourages some moves. And unemployment benefits that last up to 65 weeks also can encourage jobless workers to stay put in the hopes of work opening up close by."

The periodical also notes a change in attitudes as a major factor, and quotes Theodore Gordon, a management consultant: "Many are asking about their jobs and about other projects, 'Is it worth doing?'," he says. "We find important shifts in people's concepts of what is the good life."

One effect on business is that companies are having to rethink their transfer policies — "cutting them back in some instances, or going to greater lengths to smooth the transition from city to city in others." 

The Great Pension Debate

by Ed Finn

A Great Debate is now raging over the adequacy of private and public pension plans in Canada, and especially over the question of whether or not they should be indexed to the rate of inflation.

On the outcome of this controversy will hinge the fate of every Canadian worker when he reaches the age of retirement. Will his pension provide him (and his dependants) with sufficient income to live in comfort and security? Or will he be forced into a progressively lower standard of living as rising prices erode the value of his fixed pension benefits?

The squabble over “inflation-proof” pensions is taking place on several levels: in Parliament, in company boardrooms and union halls, at seminars and conferences, and in the pages of the daily newspapers.

The National Citizens’ Coalition — generally considered a front for the country’s biggest insurance companies — triggered the debate with a series of newspaper ads blasting the federal government for having indexed its employees’ pension plan. The coalition charged that the cost to taxpayers was excessive and unfair, and made retired civil servants a privileged élite. Its ads urged voters to bombard Ottawa with their protests.

This attack stung the Public Service Alliance of Canada into a vigorous defense of its members. The PSAC inserted ads in the major dailies rebutting the coalition’s charges and arguing that,

Ed Finn, information director for the Canadian Brotherhood of Railway, Transport and General Workers union, writes a regular column on labour for The Toronto Star

instead of removing the indexing provision from the federal plan, the same protection should be extended to all pension plans, private as well as public.

The Canadian Labour Congress, which has long favoured a complete government takeover of all pensions, strongly supported the PSAC position. “We have consistently complained about the inequities and absurdities in private pension plans,” said CLC President Joe Morris.

He added that, if employers continue to refuse needed improvements in vesting, portability, and joint union-management control of pension fund administration, the investment and management of all pension monies should be brought under government control.

One of the problems involved in this pension debate, for observers as well as participants, is that it is being fought primarily by actuaries, statisticians, economists and demographers, employing abstruse formulas and concepts. Much of the dispute over indexing arises from conflicting projections into the future — from different assumptions of trends in population, retirement age, size of the workforce, and levels of wages, taxation and productivity 30, 40 and 50 years from now.

The most pessimistic projections lead to astronomical numbers of

retirees, a dwindling workforce, and a monstrosously swelling burden of taxes to pay for indexed pension benefits. The optimists, on the other hand, are confident that economic growth, along with changes in pension fund administration and investment, will keep growing pension costs within acceptable limits.

Pensions and Survival, a *Financial Post* book by Geoffrey N. Calvert, has become the bible of the pension “doomsters.” An actuary with Tomenson-Alexander Associates, Calvert predicts that the failure of governments to fund public pension plans, coupled with their indexing, will increase taxes and overburden the country’s economic base to the point of causing the entire system to disintegrate.

He builds his case for more modest pension commitments with a scholarly and eloquent style, buttressed by all kinds of tables and graphs, and by historical and contemporary comparisons. He points to Britain, Italy, and New York City as examples of economies brought to the brink of collapse by overspending (and overtaxing) for pensions. He develops analogies with the ancient Roman and French empires, and with the more recent British Empire, suggesting that they were demolished mainly by the effects of excessive taxation.

Calvert’s demographic projections are soundly based, and are not seriously challenged by anyone. Referring to “the tidal wave of today’s young people” produced by the post-war baby boom, and to

the sharp decline in the birth rate since the early 1960s, he quite accurately foresees a much higher ratio of elderly to younger people after the turn of the century.

The present ratio of people age 65 and over to those under 65 is 15.6 per cent. Even if 65 remains the normal retirement age for most workers, this ratio will rise to 33.8 per cent by the year 2031. If retirement drops to age 60, the ratio will go to 47.6 per cent, and if it goes down to 55, the ratio will soar to 65.8 per cent.

Of course, this growing imbalance between active and retired workers will be accompanied by corresponding increases in pension costs. Calvert estimates the cost will double (by 2031) if the retirement age stays at 65, triple at 60, and quadruple at 55.

The Canada Pension Plan is the target of Calvert's most vitriolic broadsides. Citing its mounting unfunded liabilities (\$400 billion at the moment), he warns of the inevitability of "a catastrophic financial crisis" if benefits are further increased — or even if present commitments are maintained.

Calvert is concerned about the effects of nonfunded public pensions on private pensions, arguing that the more people rely on the public plans the less money will be put into the private ones. About 80 per cent of capital investment in Canada now comes from the funds generated by private pension plans.

"The sickly, inflation-ridden economies of Britain and Italy," he says, "provide us with present-day examples of what the economy of Canada could easily become, given enough of this capital starvation and rising pension and welfare taxation." He scathingly dismisses the CLC's proposal to triple the

Much of the dispute over indexing arises from conflicting projections into the future

CPP and have benefits commence at age 60 rather than 65, declaring that it would leave the economy "in smoking ruins."

I have summarized Calvert's jeremiad at some length because it puts forth most extensively and vigorously the case against indexing pensions — and indeed, against continuing to honour commitments already made. In fairness to Calvert, he does acknowledge the need for some minimal indexing and makes constructive suggestions for improving aspects of the private plans, such as vesting and portability, and for doing away with the present mandatory retirement at 65. Since these are offered as alternatives to full indexing, however, and are based largely on an acceptance of his anti-indexing claims, the validity of those claims should first be considered.

Calvert's book fits the definition of a "horror story," in that its primary intention is to scare the reader. And if all his assumptions and projections are accepted without question, readers will indeed be frightened. There are good reasons, however, to doubt his ability as a soothsayer, if not as a demographer. Other pension experts whose credentials are at least as impeccable as Calvert's disagree sharply with his economic prognosis. They say that all pensions should and can be indexed without causing the catastrophic results Calvert's book predicts.

The case for indexing was forcefully presented at a conference sponsored by *The Financial Post* early last April, by Robert Crozier,

senior economist with the Conference Board; Murray Segal, a partner in the Toronto firm of consulting actuaries, Eckler, Brown, Segal & Co.; and by Robert Kaplan, Liberal MP for York Centre.

Crozier flatly rejects the notion that full pension indexing will precipitate an economic doomsday some time in the next century. "Such hyperbole would be laughable," he said, "were it not for the fact that many people believe it."

He said there is no logic in the argument that, although society can afford to pay a retired pensioner enough to buy a fixed basket of goods and services today, it cannot afford to pay him the same fixed basket of goods and services 10 or 15 years later. Pointing out that this "basket" comes out of a growing pool of goods and services, he noted that the pensioner does not share in this growth even if his pension is indexed, "but at least with indexing he is able to maintain the status quo ante."

Crozier questioned the morality of the argument that the purchasing power and living standards of retirees should be reduced while those still at work continue to enjoy large annual increases in their incomes. "The transfer of real income from the old to the young," he said, "would certainly be looked upon as a particularly vicious form of robbery if it took place in the open and not secretly under the guise of inflation."

He admitted that there are obstacles to the provision of full indexing protection, but denied that they are economic. The cost of indexing all pensions, he estimated, would represent only 0.4 per cent of the Gross National Product. "The obstacles lie in the inadequacies of present financial

mechanisms and instruments for ensuring that the pensioner's basket of goods and services remains constant."

Crozier added that one possible way would be the creation of indexed securities that would provide an inflation-proof investment vehicle for pension funds. Another would be for the federal government to fill the indexing gaps in both public and private sectors. "To argue, from the money illusion, that we cannot afford to do this is to believe in fairy tales."

It can be seen from these quotes that Crozier feels just as strongly that pension indexing is feasible as Calvert believes it to be financially suicidal.

Murray Segal was not as vitriolic as Crozier in his defense of indexing, but was just as emphatic. "The most demeaning suggestion I have heard in the whole controversy on pensions," he said, "is that, on theoretical grounds not borne out by any hard facts, we should either have no indexing of private pensions at all or indexing with a cap of 4 per cent or 5 per cent a year when inflation and increases in salaries and wages are still running 50 per cent to 100 per cent higher..."

Segal was particularly annoyed by Calvert's claim that the financial needs of elderly people decline significantly after they retire. Calvert said that, although pensioners have to spend as much for food and shelter, they need less for clothing, footwear, furniture, travel, taxes, and insurance charges.

"I have talked to many retired people," said Segal. "Unlike Calvert, they all vehemently deny that their needs declined with increasing age...I could not tell my

85-year-old grandfather that his needs in retirement declined from 70 per cent of his final earnings 20 years ago to 15 per cent today, or even 30 per cent. It behooves us all to make damn sure the same thing doesn't happen to us after we retire."

Robert Kaplan probably reflected the view of most politicians — of all parties — when he said that the moral justification for indexing pensions is overwhelming, and cannot much longer be deferred. He said pensioners *must* be protected from the robbery of their resources by inflation, and that, if the private sector won't do the job through its pension plans, the government will.

...as the number of pensioners grows, so does their ballot power

One of the political realities is that as the number of pensioners grows, so does their ballot power. It will soon become untenable (if it isn't, already) for any political party to oppose the inflation-proofing of pensions.

"Indexing does not increase the claim of the elderly to a growing amount of real goods and services," said Kaplan. "It only maintains it constant in real terms. If pensions are at a fair and adequate level to start with, how can indexing be a burden?"

He conceded that Canada is going to become "an older society" within the next 50 years, but argued that almost all this growth in the over-65 group will be at the expense of the young, not the middle-aged. "By that I mean that, even if the demographic projections are accepted, the labour force will decline only slightly as a share of total population.

"Another factor overlooked by demographic doomsters," he added, "is that, although the future labour force may have to support more non-working people, the burden will probably be eased by higher incomes."

Kaplan said he recognized there might be some risks involved for companies in indexing private pension plans. He suggested these might be eased in collective bargaining by having unions accept less in other parts of the agreement. He also echoed Crozier's suggestion of having indexed securities — an idea first proposed by University of Toronto economists James Pesado and Samuel Rae in their book, *Public and Private Pensions in Canada — An Economic Analysis*.

Pesado and Rae suggest that indexed bonds, with a low guaranteed real rate of return (3 per cent or 4 per cent) pegged to subsequent inflationary increases, would guarantee a fixed real rate of return and thus solve the problem of indexing. But they also admit that companies are afraid of their open-ended commitment to bondholders and would not be likely to offer such bonds, unless forced to do so by mounting public pressure for inflation-proof pensions.

Richard Osler, *The Financial Post's* pension expert, in assessing the Pesado-Rae proposal, opined that the private pension industry can't afford to ignore it — any more than it can ignore Treasury Board president Robert Andras' warning that the government will have to intervene if private pensions aren't protected against inflation. "The industry can't afford to call his bluff," said Osler.

The other major Canadian financial paper, the *Times*, also warns that "time is running out" for the private pension industry. "Indexing

is a fact of life," the *Times* said editorially, "and is not about to disappear...More work must be done (by the industry) to design alternatives to, or mechanisms for, indexation."

Other influential voices raised in favour of pension indexing include financial columnists Jack McArthur of the *Toronto Star* and Don McGillivray of the Southam newspapers, and former financial consultant Douglas Fullerton.

McGillivray said that industry has the means and ingenuity to provide indexed pensions, and should respond to the challenge. "Or it can stand by, wringing its hands, until the government moves in."

Fullerton favours an immediate government takeover. Listing the defects of private pensions — their lack of universality, portability and adequate vesting rights, as well as their lack of indexing — he said that an enlarged and universal Canada Pension Plan is the only way to give all Canadians a satisfactory retirement income.

It can readily be seen, then, that Calvert's gloomy views on indexing are not shared by many other experts in the pension field. This is not to say he has no supporters. He has many, but most of them seem to be involved in the private pension business and cannot pretend to be objective. And even his most vocal admirer — Cecil White, vice-president of Metropolitan Life Insurance Co. — is careful not to oppose indexing entirely.

White goes along with Calvert's opinion that pensioners don't need as much to live on as do active workers. He thinks, like Calvert, that a separate consumer price index for pensioners would indicate a need for only limited

The case for full indexing is solidly based, in moral terms, and the economic arguments against it cannot be substantiated

indexing. Still, even that admission opens the door to at least partial inflation-proofing of pensions.

Predictably, Calvert's book has been denounced by most labour leaders. But it should not be condemned in its entirety, even by those who want full pension indexing. Calvert has some provocative and constructive comments in the latter chapters of his book on such things as compulsory retirement, industrial democracy, and the tendency to assess retired people's needs in exclusively monetary terms.

In opposing a mandatory retirement age, Calvert lines up squarely with the Canadian Labour Congress, though obviously not for the same reason. Calvert wants people to work as long as they desire to work, to prevent an imbalanced ratio between pensioners and workers. The CLC wants the same thing as an elementary human right.

Calvert's endorsement of industrial democracy is similarly motivated. He feels — quite correctly — that, if work is made more interesting and challenging, and if workers are given a say in managerial decision-making, they will not want to retire early. They'll work as long as they can — many beyond age 65, if permitted to do so.

Calvert should also be commended for his observation that more money alone will not give retired people the happiness and dignity to which they are entitled. He cites such factors as proximity to stores and recreational areas, contact


with younger people, and participation in community affairs.

"The retired person looks to the community more as age advances," he said, "and the community should provide more and more to the retired person in the way of services other than the cash income represented by the pension."

Most pensioners would agree with that sentiment, as far as it goes. But most would insist that such services be given in addition to — not as a substitute for — fully indexed pensions.

After looking at all the pros and cons in this Great Pension Debate, one can only speculate as to the eventual outcome. It would appear, despite the heavy impact of Calvert's anti-indexing book, that some form of inflation-proofing of pensions will be provided in both the public and private sectors within the next four or five years.

The case for full indexing is solidly based, in moral terms, and the economic arguments against it cannot be substantiated. If every actuary, economist and pension consultant shared Calvert's financial foreboding, it might well give the politicians pause. But with such luminaries as Crozier, Segal and Fullerton taking the view that indexing is both desirable and possible, and with the pressure for indexing escalating so rapidly, governments are bound to intervene if the private pension industry doesn't voluntarily introduce indexing or its equivalent. Meanwhile, the labour movement can be expected to push its case for indexing at the bargaining table.

Pension indexing therefore seems to be an idea whose time has come — or will come in the near future. 

Toward a better work environment for Canada

Last October, during the debate on the Speech from the Throne, labour minister John Munro announced a 14-point program for improving Canada's labour relations system. (LG, Oct. '76, p.522) Since that time, he has met with representatives of labour and management, and with the provincial labour ministers, to explain the various features of this program in more detail, and to enlist their co-operation in putting them into effect.

There have been reservations in some quarters, but in the main

there is general agreement that the initiatives proposed by the Minister would go far toward creating a better work environment, as well as a more harmonious labour-management relationship.

However, despite Munro's discussions with the company and union officials, and despite the several speeches he has made thus far on the subject, public awareness of the 14-point program remains very low. Even among the rank and file of Canadian workers, knowledge of the program and its benefits is still

minimal. "This is regrettable," Munro says, "because we will eventually need the support and active involvement of all working people, as well as their unions and employers, if Canadians are to derive maximum benefit from some of the measures being proposed."

In the following article, he attempts to explain what the 14-point program is all about, why he thinks its proposals are important, and what the advantages will be to everyone concerned.

It is necessary, first of all, to sketch the background from which the program emerged. There was a crisis of confidence developing in our labour relations system, growing public disapproval of the high incidence of strikes, lockouts and other industrial disputes, and the attendant increase in public inconvenience and lost man-days of production. The tensions inherent in our adversarial labour-management system had clearly escalated to unacceptable levels. Workers' dislike of the authoritarian structure of most industries was reflected in low morale, absenteeism, and high turnover rates. Too many jobs carried health and safety risks that could, and should, have been avoided.

The failure of companies and unions to correct these faults through bilateral dealings led to more and more government intervention, and to reliance on an army of third-party mediators, conciliators and consultants. The system

continued to struggle under the growing strains, and public confidence continued to erode. The basic freedom of collective bargaining was clearly threatened.

The federal government, as well as most provincial governments, came under intensifying pressure to intervene more strongly, even to institute some form of compulsory adjustment of labour-management differences.

These pressures eventually reached a stage where the essential freedoms enjoyed by both labour and business to work out their own problems were seriously endangered.

Together with my officials in Labour Canada, I held out against such draconian solutions. Our faith in the free collective bargaining system was unshaken. We knew that it was undergoing strains, that it was in need of more flexibility and reform, but we were

confident — and still are — that it is by far the soundest and most workable method of reconciling the interests of labour and management.

So we looked closely at those aspects of our labour relations system that were giving the most trouble, and we devised measures aimed at improving them. Our approach — if I may use a medical metaphor — was to prescribe remedies for the ills besetting labour relations, rather than give it up as a terminal case or, as some extremists were urging us, resort to euthanasia. We were, and are, convinced that our system of labour relations can be restored to robust health. But we can't do it alone. We need the help of other governments and from labour and industrial leaders across the country.

Judging from the favourable response already received, I am optimistic that some parts of the

14-point program can be implemented within the next few months, and the others can soon be worked out in consultation with labour, management and the provinces. The open endorsement of most of the 14 points by the Canadian Railway Labour Association and the positive response by individual trade unionists is especially encouraging.


Our initiatives can be divided into three sub-groupings. The first lot are aimed at improving the working environment and thus removing from the bargaining arena as many contentious issues as possible that have to do with

working conditions such as health, safety, and job enrichment.

Quite often, when we delve into the origins of labour-management disputes, we find that, while the immediate issue may be wages, the underlying malaise arises more from less tangible factors. Job dissatisfaction. Boredom. A pileup of unresolved grievances. Lack of proper safety or ventilation or heating. Inadequate lunchroom facilities. Resentment at a dictatorial form of supervision.

Some of these matters are susceptible to correction at the bargaining table, but many others

are not. They flow out of the structure and nature of the work place itself, the way work is organized and performed. To the extent that the bargaining process is unable to cope with such frustrations, they tend to find outlets that are often harmful and disruptive.

It is our belief that, if we can make the work place more pleasant and make jobs more rewarding, we will remove many of the abrasive tensions that cause antagonism between workers and employers, between union and management. This in turn will create a better atmosphere for collective bargaining and productivity. 

Improving the work environment

Seven of the 14 initiatives are designed to improve the working environment. They are:

- a national occupational safety and health centre;
- a national quality of working life centre;
- expansion of existing advisory services to help locate and treat potential problems before they become serious;
- a voluntary code of good industrial relations practices;
- legislation to prevent unjust dismissal, ensure payment of wages, and add other basic minimum standards for the protection of unorganized workers;
- an effort to implement the ILO Convention on paid educational leave;
- improvement of government policies on pension rights and benefits so as to reduce the fric-

tion caused by this issue at the bargaining table.

Each one of these initiatives — or, indeed, any of the 14 points in our program — would require a speech in itself to explain all of its ramifications. I can only elaborate on each of them very briefly at this time.

The **national occupational safety and health centre** is something we are developing in co-operation with the provinces, since, to be truly effective, it must cover all jurisdictions. We see it as a centre for researching and developing improved safety measures and standards, testing potentially dangerous materials and processes, providing technical services and advice to employers, unions and governments — and eventually producing a national safety code. The issue of industrial safety and health is being given a high priority. We feel that it is a prerequisite to improving our labour relations system. Workers who are worried about their

physical well-being on the job, and who see little outside concern for their safety are not inclined to co-operate in other efforts to reduce industrial conflict or to improve productivity. Work safety has to be the bedrock of any program aimed at improving the quality of working life.

The **quality of working life centre** will encourage worker participation in decision-making, and in any experiments that fall under the broad heading of industrial democracy. This is a complex and controversial area, and one that is generating a very lively debate in union, company and government circles. I don't propose to enter that debate at this time, but I am sure that the QWL centre will help to promote and popularize methods of humanizing work and eventually giving workers some say in how the work place is run. I don't anticipate any successful transplanting of the European models of industrial democracy to Canada, but I see no reason why employers and unions can't join

with us in a tripartite study of this whole question, with a view to developing a form of worker participation tailored to our needs and traditions.

The **expansion of the advisory services of Labour Canada** on such matters as safety and the quality of working life will supplement the activities of the QWL and occupational safety and health centres. My department has just undergone a decentralization process that will enable our regional offices to provide such advice and help more quickly and conveniently.

The **voluntary code of good industrial relations practices** will give employers and workers a manual of desirable standards by which to judge their own performance. In Canada it could help to standardize good labour relations policies, starting with an ungrudging acceptance of unions as legitimate

organizations entitled to proper recognition and respect.

The proposed **safeguards against unjust dismissal** and withholding of wages are intended for the protection of workers who don't belong to a union. So are the proposals on flexible hours of work, sick leave, maternity leave, bereavement leave and other benefits that organized workers have achieved through collective bargaining.

Paid educational leave was adopted as a Convention of the International Labour Organization, and endorsed by the Canadian Labour Congress. It is an objective I heartily endorse. This is a benefit enjoyed so far in Canada only by some professionals such as teachers and doctors. The government believes that Canadian workers in all occupations should

be entitled to such sabbaticals, to regenerate themselves or to move into new careers. We have launched a fact-finding study to determine its feasibility and implementation.

Pensions are becoming one of the major sources of labour-management friction. A debate is now raging whether all pensions should be inflation-proofed — that is, indexed to the rate of inflation. (see p.247) But workers are starting to demand other improvements too, such as full vesting rights, portability, and the right to joint management of pension funds. These are all potential trouble spots, and to the extent that we can remove or alleviate them through legislative action — perhaps in improving existing pension benefit standards — to that extent will we reduce possible conflict in the work place and at the bargaining table. [9]

Improving collective bargaining

The next three initiatives in the 14-point program are directly aimed at improving the process of collective bargaining, by strengthening its legal framework, improving its services, and speeding up procedures that are now hampered by long delays.

Basically I believe the collective bargaining system in Canada is sound and workable; but, if it isn't periodically revised and kept up to date, it can become rusty and less responsive to changing needs.

Some of the problems that have become acute in labour-management affairs in recent years can be traced to such defects of age and inflexibility. Delays in processing certification applications, for

example. Delays in processing grievances. The rising costs of these and other quasi-legal procedures, which are becoming a severe financial burden, particularly for the smaller unions.

The three initiatives intended to correct these problems are these:

- promotion of broader-based bargaining;
- amendments to Part V of the Canada Labour Code;
- improved conciliation, mediation and arbitration services.

My department has been encouraging a trend toward **coalition or industry-wide bargaining** for some time. We have made progress

toward achieving this goal in the grain-handling industry, and are now working toward the establishment of coalition bargaining in air transportation. We have had it for a quarter of a century in the railway industry, where it has proven to be a tremendous stabilizing force. We see this kind of broadly-based bargaining as the forerunner of a much-needed rationalization of the bargaining system in Canada, to reduce its fragmentation and develop common norms and standards.

Among the **proposed amendments to Part V of the Canada Labour Code** are the following:

- Appointment of additional vice-chairmen of the Canada Labour Relations Board, to speed up


handling of certification applications, and complaints of unfair labour practices.

- Granting of interim certifications, and imposition of first agreements, where necessary.
- Provisions to enable unions to combine or regroup for the purpose of certification.
- Broadening of CLRB powers to enforce decisions in such areas as unfair practices, and illegal strikes and lockouts.
- Wider Ministerial powers to

appoint arbitrators and set time limits for filing of their awards, and also to apportion fees, expenses and other costs more equitably.

- Imposition on unions of a duty to give fair representation to their members, and to allow for the processing of complaints against unions for not carrying out their responsibilities.

It is not necessary to expand on these points. They are all self-explanatory, and will go a long way, in my view, to streamline the legal and quasi-legal aspects of our labour relations system.

Our plans for **improving conciliation, mediation and arbitration services** take the form of improved recruitment and training, to ensure a high level of competence as well as an adequate supply of these specialists. The speedup in the arbitration process provided for in the labour code amendments will help eliminate the delays that have undermined the effectiveness of the grievance procedure. As well, we are looking into possible ways of reducing the costs and the excessively legalistic nature of grievance handling, which have given rise to much criticism by the participants. 

Improving the labour relations system

We come now to the third subgroup of initiatives, four in number, that are intended to improve the structure and operation of the labour relations system and to foster a sense of joint responsibility in making it work.

Generally speaking, these have the ultimate objective of toning down some of the more aggressive and disruptive features of the adversary system on which our labour-management relations are based. As long as we are engaged in sharing a finite pie, and as long as a bigger slice for one party means a smaller slice for others, we are going to have disagreements over its division. But there is surely room for co-operation as well — in preserving the financial health of our economy and of its component industries from which we all derive our sustenance.

The labour movement has indicated its willingness to move toward a system based more on co-operation than conflict. That

was the message implicit in the CLC's Manifesto adopted at its last convention in May 1976. We may disagree about the specific proposals contained in that manifesto, but we must certainly welcome the CLC's avowed willingness to enter into a tripartite consultative mechanism for dealing with national economic and social issues.

In recent speeches, I have attempted to debunk the myth of "big labour" that is all too prevalent in Canada — and the accompanying myth that the labour movement is too powerful. [LG March, p.135] The truth is precisely the opposite. We have a labour movement in Canada that is not strong; because it embraces only a third of the work force; and because it is split among more than a hundred unions and many thousands of bargaining units. Weak, above all, because it has not been accorded the respect and the role of equality that labour movements have gained in other countries.

When labour is barely tolerated in our society, when it has to struggle for every advance in its members' living standards, it is not surprising that its reaction should be aggressive. It is not surprising that labour has come to distrust business and government and the media, and to conclude that, if it does not fight for its members, no one else will.

It is long past time that we stopped ignoring the labour movement, and brought it into full partnership status with other social and economic institutions. By doing so, we will be eliminating some of the most negative and objectionable effects of our adversary system of industrial relations — and taking an essential step toward a more stable and co-operative relationship and a more productive economy.

The four initiatives we propose to encourage that development are:

- greater educational facilities and

opportunities to assist labour leaders (and potential leaders) to increase their skills and knowledge in all areas of labour relations;

- legislated safety and health committees at the plant level, in which workers will participate with management in making the work place safer;
- establishment of a collective bargaining information centre;
- creation of a national consultative multipartite forum in which labour can join with business, government, consumers, farmers and other interest groups in helping to solve common problems.

Our unions have limited resources to devote to their educational programs, and, while many of them are doing a commendable job with the resources available to them, there is a need to supplement labour education and expand it both in quality and quantity.

Our support for that kind of **improved labour education** would call for the creation of a national centre with satellite regional centres, and a program of instructor and staff training, specific skill and higher-level courses, and special programs to reflect the diversity of the labour movement. Additional grants would be provided to set up university courses in labour education, and to give fellowships and scholarships to aspiring union members wishing to develop their leadership potentialities.

We are convinced that this expanded labour education program

would make it easier for the labour movement to fill the more active role that it should have in the functioning of our society.

The establishment of **joint safety and health committees** at the plant level would involve workers directly in an important aspect of their working environment. By providing a forum for workers and employers to share responsibility for safety, such committees will not only supplement the efforts of the proposed national centre, but will serve as a testing ground for extending worker participation to other areas of plant operation.

The **collective bargaining information centre**, which we hope to be functional later this year, is the product of discussions with labour and management dating back to 1975, and was one of the priorities set by the now defunct Canada Labour Relations Council. Both parties expressed dissatisfaction with the information available for bargaining purposes. They said it wasn't adequate, timely or reliable. Different sources of statistics tended to produce different sets of figures and different interpretations of their data.

They felt that a single agency set up for that purpose could pull together information from various sources and make it available to the parties. Having a tripartite involvement, the data would be accepted by everyone concerned, and would form the basis of more orderly negotiations.


Of the 14 points in our program, the **national multi-partite consultative forum** is the one that has

attracted the most publicity. Hence there is little need to describe its purpose or intended structure. I should state, however, that we do not see this as a decision-making body along the lines first proposed by the CLC. We envisage it rather as a prestigious national body with broad consensus-reaching abilities, and with considerable influence on the major decision-makers in both the public and private sectors, as well as the general public.

This multi-partite forum will also provide a sort of umbrella under which a number of bipartite or tripartite sub-groups could concentrate on specific problems in such fields as labour affairs, housing and unemployment.

We are holding continuing talks with the interest groups to be represented on this body, and hope to have it operational before the year is over.

You will agree, I'm sure, that taken together the 14 points in our program represent one of the more ambitious undertakings ever initiated by the federal government to help people and deal with people problems. As I have indicated, my officials and I have consulted with the provinces, and will continue to do so in recognition of their major responsibilities in labour affairs.

It is vital that all Canadians understand fully what we are trying to achieve. 

John Munro
Minister, Labour Canada

The direction of labour policy in Canada

by Clayton Sinclair

Free collective bargaining is on the way out.

This is not quite what 100 union, management and government delegates to this year's McGill University Industrial Relations Centre conference paid up to \$175 each to hear this spring in Montreal.

But it was heady stuff. And though this harsh judgement of Dean Harry Arthurs of Toronto's York University Osgoode Hall Law School is not being swallowed whole by the industrial relations community, some speakers conceded there is a frightening logic to his argument.

Arthurs' warning was the high point of the McGill conference. His case was simply this: if the state is to decree wage and price increases as part of a national economic strategy, there is no room left for free collective bargaining.

Clifford Pilkey, the president of the Ontario Federation of Labour, disagreed with Arthurs' premise, and Paul C. Weiler, chairman of the British Columbia Labour Relations Board, considered his fears "at least premature."

But Charles J. Morris, a former co-chairman of the American Bar Association's labour law committee, now with Southern Methodist University, Dallas, Tex., acknowledged the argument.

Clayton Sinclair is a writer with the Financial Times of Canada

"We are all," he said, "a fair way down the road Mr. Arthurs speaks of, even while continuing to maintain the mythology of free collective bargaining."

The theme of this year's McGill conference was the direction of labour legislation in Canada. Two days of discussion revealed it is becoming more liberal than many had conceived.

Manitoba, for example, reported it is certifying managerial unions and finding, to its surprise, that no one is being hurt as a result. Nova Scotia said it soon will cut to five days the time management has to contest certification bids by workers. The move, it suggested, would more accurately test the real wishes of the employees and, at the same time, the strength of their employers' objections.

The Arthurs contention however, tended to overshadow the significance of this and another point — that the provinces, rather than the federal government, today provide most of the leadership in Canadian labour legislation.

"We have eaten the fruit of knowledge and left the garden of free collective bargaining"

Mr. Arthurs based much of his warning on what can be called "the drift to regulation in Canada" — the anti-inflation program, more and broader environmental legislation, laws governing health, safety, language, sex and age discrimination, and minimum economic benefits.

"We live in a regulated society," he said. "We have done so for most of the twentieth century and will do so, increasingly, for the foreseeable future."

"Businessmen may talk of free enterprise, but want government to ensure stability in the economy by curbing inflation, excluding foreign competition and limiting union power."

"Consumers may talk of freedom of choice in the marketplace. But they want regulation to ensure fair prices, adequate quality and supply and full disclosure of ingredients, hidden charges and the like."

"Unionists demand free collective bargaining. But they are prepared to regulate corporate power in the economy, and the behavior of individual firms in matters of health, safety, language, sex and age discrimination and minimum economic benefits."

"In the future, just a few of the matters which will be increasingly regulated are: land use, energy consumption, population growth

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and movement, nationality and language rights, income distribution and expenditure, capital accumulation and investment and, more generally, the exercise of private power in economic, social and political affairs. Sooner or later, labour and management and their relation to each other also will be regulated.

"Who, out there," he asked, "does not believe unions have too much power and use it without regard to the community, or that employers have historically exploited their workers and continue to show appalling callousness in matters such as health, safety, the quality of working life and the right of workers to participate in industrial decisions?"

"Indeed, who believes Canada's record of time lost through industrial conflict is acceptable, or that the level of wage settlements bears any but accidental resemblance to the community's sense of justice?"

Arthurs cited five areas he believes will be subject to increasing state intervention: wage levels, economic conflict, the development of private power centres, the advancement of democratic values and the improvement and humanization of working life.

With the anti-inflation program having constrained Canadian wage levels since October 1975, "one cannot seriously imagine we will return forever to the golden age of pre-controls innocence," he suggested. "We have eaten the fruit of knowledge and left the garden of free collective bargaining. Things will never be the same.

"We are clearly moving in the long run to some kind of national incomes policy. And if we are to have a national incomes policy, we

"It simply is impossible to get any more than minimum changes through the Canadian Parliament"

cannot logically tolerate strikes or lockouts which individually or cumulatively are intended to thwart it."

Pilkey disagreed with these assumptions. "Certainly," he said, "the anti-inflation program has wrought changes that are likely to remain. But I say we are not moving into a regulated economy. I think we will be moving back into a marketplace economy, if only because that is all the Liberal and Progressive-Conservative parties understand — or want."

Weiler also questioned the capacity of a national incomes policy in a free state. "There are limits to what it can accomplish. I believe we are headed into a period of de-regulation."

T.C. Eberlee, deputy minister of the federal Department of Labour, noted that while the responsibility for collective bargaining would revert to the 11 Canadian governments after controls, the federal government would continue to be responsible for the national economy.

"Since industrial relations are one of the most significant factors therein, the government cannot escape its responsibility for ensuring that industrial relations in Canada are effective and constructive — in co-operation with the provinces."

Government's role in this respect, he suggested, would depend largely on labour and management's capacity to work together. "But are controls in one form or

another an inevitable requisite of the future? We don't think so."

Weiler dwelt mainly on the emerging pre-eminence of the provinces as the main source of new labour legislation in Canada.

"In 1959, it was argued that giving the provinces prime responsibility for labour relations made no sense in an age of big companies, big unions and national, even multi-national bargaining relationships.

"I was persuaded at the time. But 15 years later, my views have changed. The events of the 1970s have demonstrated the virtues of provincial jurisdiction and federal diversity.

"As far as the Canada Labour Code is concerned, the blunt truth is that the mountain laboured and brought forth a mouse."

Whether it is because labour law proposals vie for attention in the House of Commons with matters of health, finance, international relations and others, "it simply is impossible to get any more than minimum changes through the Canadian Parliament."

Those that do pass, Weiler said, "only satisfy the test of the lowest common denominator — and the American experience testifies that this is not a peculiarly Canadian dilemma.

"But individual provinces can try out serious innovations. Each legislature responds to different characteristics of its industries, different complexions in the work force and its trade union allegiance, different political spectra.

"If a statutory experiment proves successful, it can and is emulated elsewhere. If it proves a mistake, it can quickly be liquidated without widespread damage.



" I DON'T KNOW THE MAN PERSONALLY... WE SHARE THE SAME COMPUTER "

"It is no exaggeration to say this effort has reached its epitome in the B.C. Labour Code."

Weiler cited three examples of how the B.C. Labour Relations Board is approaching problems in the workplace that so far have not been matched by workable solutions.

The first involves strikes at hospitals. The B.C. board introduced the concept of "intermediate" strike action in 1976 at the Vancouver General Hospital — an institution of 1,800 beds and 5,000 employees and students.

Rather than denying or condoning full-scale strikes, the board permitted the main body of hospital workers to leave their jobs

after having designated the essential services to be maintained.

"The work stoppage imposed a disciplining influence on the parties to move toward a settlement but without inflicting

Manitoba is the only jurisdiction in North America to permit persons with the right to hire and fire to organize

intolerable risks on the personal safety of citizens."

The second involved councils of trade unions in multi-union bargaining situations. The British Columbia Railway's operations had been struck almost constantly by

one and then another union. The board ordered the unions to form a council and bargain as a unit.

The third was the board's approach to wildcat strikes. The Aluminum Co. of Canada Ltd.'s Kitimat, B.C. smelter operations were struck illegally in 1976 "in a planned attempt to force the re-negotiation of a collective agreement with a new expiry date that would facilitate common front bargaining with employees in Alcan's Arvida, Que. smelter.

"As such, the strike was a deliberate challenge to the fundamental principles both of the Labour Code and of the Anti-Inflation Act. It was dangerous as well. If the pot lines on the smelter froze, production and employment could be lost for months.

"We came up with this legal experiment: as a price for protection from discharge, the ring-leaders in the Alcan strike were assessed the equivalent of 10 days pay, which they had to pay back to Alcan personally over the next 10 pay cheques.

"Every two weeks, the union leaders have the unpleasant experience of writing a cheque to Alcan. They have a number of chances to reflect on the lesson that illegal strikes do not pay. More important, they remain at the head of the union as visible reminders to everyone that the Labour Code does have some teeth in it which they cannot ignore."

Ruth Krindle, the 34-year-old Winnipeg lawyer who, as chairman of the Manitoba Labour Relations Board, administers much of that province's industrial relations law, told the conference her board is getting no flak as a result of its decision to certify unions of managers.

Manitoba is the only jurisdiction in North America to permit persons with the right to hire and fire to organize.

Discretion is required by the board to prevent unfairness to employers (because the prospective union member might have budget information) and to junior employees (who might be afraid of expressing themselves openly if a common union were permitted).

But the MLRB so far has certified 10 units of managers "and we have found that people do not lose their integrity as managers by being members of a union," she said.

"Your really top guys in an organization are not going to organize. They consider themselves the company itself."

But there is room for management unions, Krindle says. "We had two men in from private industry the other day. They both had 33 years service with the company and had just been told that a computer had made their jobs redundant. They asked me: 'What do you do at age 55 and your job goes down the drain? Doesn't 33 years' service mean anything?'"

Marc Lapointe, chairman of the Canada Labour Relations Board, told the conference that more than

"Any philosophy of government which is not prepared to give quick and easy access to amendments in labour legislation is basically wrong"

a dozen certification applications were presented his organization in its first two weeks of business during the early 1970s by groups of foremen, supervisors and superintendents.

"This interest has not flagged. There is apparently a need and a wish in this area."

Nova Scotia's plan to cut back on the time for processing certification applications from any sort of worker group is equally interesting.

Innis Christie, chairman of the Nova Scotia Labour Relations Board, expects shortly to have the right to authorize secret ballot votes of groups wishing to organize.

Management has been after such a provision for years. But the Nova Scotia plan contains a catch: the ballot will be taken within five days of a certification bid — not three or four weeks later as the case is now.


"If a union cannot win a vote so soon after the date on which it has chosen to apply for certification, it does not deserve to be certified," Mr. Christie suggested.

"If an employer interfered with the application or intimidated or coerced a person to refrain from joining a union, the board could automatically certify the unit, provided the union had the support of 40 per cent of the eligible workers."

So, indeed, labour law is changing in Canada.

Mr. Lapointe summed it up: "It is not surprising in a dynamic and volcanic field like labour legislation.

"Any labour legislation which is not revamped every third or fourth year is obsolete. Any philosophy of government which is not prepared to give quick and easy access to amendments in labour legislation is basically wrong.

"Part I of the Canada Labour Code already is a creaking and breathless vehicle for the fast, expeditious and all-encompassing solving of problems in labour relations on the federal scene. Many other labour codes are now ahead of it." 

Back issues of The Labour Gazette

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Unionization of farm workers: B.C. sets a significant precedent

by John Clarke

The British Columbia Labour Relations Board has opened the way for the unionization of farm workers in the province and in so doing has set a significant precedent for the rest of the country.

The decision is important not simply because it recognizes the right of farm workers to join a union but because it recognizes the changing nature of farming itself in Canada. It sees agriculture moving more and more out of the hands of the family farmer into the realm of agribusiness. In that sense, then, workers employed by an agricultural corporation are no less entitled to union representation than are the employees of any other type of corporation.

The board has certified Local 9-686 of the Oil, Chemical and Atomic Workers International Union as the bargaining agent for the employees of South Peace Farms in northern B.C.

South Peace Farms runs a cattle-raising and cereal producing operation on a 28,000-acre spread between Fort St. John and Dawson Creek. It's operated as a joint venture by two U.S. corporations and is, in the board's words, a "large sophisticated agribusiness with already well-defined and structured employment practices."

During the busy season (May to October) it has about 18 employees, 10 of them university students recruited from agricultural schools across Canada.

John Clarke is a senior editorial writer and labour specialist with the Vancouver Province

There are eight to 10 employees during the low season and both seasonal and permanent workers live on the farm.

The B.C. Labour Code has, for the first time in Canada, given farm workers like these the right to be included under the normal legislation of the province. The board says the South Peace Farms workers are entitled to be represented by the OCAWU, even though they aren't associated with the energy industry, because they are entitled to choose whatever union they want.

The corporation had argued that the OCAWU was an inappropriate union to represent farm workers. The board said: "The argument overlooks the fact that the historical development of the trade union movement has required it to adapt and be responsive to new sectors of the economy. The collective bargaining format has proven flexible enough over the years to encompass and be responsive to new and different members of the work force and their employers."

It goes on to say that the board couldn't select a union for the South Peace workers because the "choice of a trade union is a right and function of the employees, not this board."

In a nutshell, the B.C. board is saying that agribusiness is a legitimate field for union organization and that as and when labour is ready to do the job, it will have clear sailing. While its decision may not lead to a wholesale organization drive for some time yet, it does note that, according to the most recent census figures, there are about 40,000 permanent farm hands working on farms across Canada. Another 100,000 are employed on a seasonal basis and about half of those are university students.

It goes on: "The family farm is rapidly assuming a less important role in the industry. In the last 10 years there has been a drop of approximately 50 per cent in the proportion of the work force employed in agriculture. At the same time there has been a marked increase in the size and capital investment of the average Canadian farm."

The board also rejects what might be termed the operational objections to unionization and collective bargaining for farm workers. It lists these as follows:

- At harvest time the farmer is vulnerable to the strike weapon as no other employer would be. He would stand to lose his crop without hope of later recovery and therefore should not be subject to collective bargaining, at least not in the traditional sense.
- The farmer can't pass on increased labour costs because

his prices are controlled by farm marketing boards.

- He has a difficult enough time now in finding suitable labour because of the drift of the rural population to the cities, and the introduction of more regulatory legislation would compound that problem and impose further burdens on an endeavour that's already precarious, financially.

The board says these arguments may have more force if they're applied to a small family farm. But they don't when they're advanced by large farm complexes, many of them run like corporate enterprises, which cannot by any stretch be compared to the "struggling family farm."

It says the fact that farm production would be particularly vulnerable to strike action is not a good enough reason to deny workers the same collective bargaining rights that others have by right. Collective bargaining has been an accepted process in the packing sheds, food processing plants and canneries for years and those industries have "not been characterized by frequent work stoppages or food spoilage."

(When he introduced the B.C. Labour Code legislation in June, 1975, the then NDP Labour Minister Bill King said occasional tie-ups even in the farming industry would be inevitable. But he added: "I am not prepared to extend the right on a limited basis. They — farm workers — should enjoy the same rights and the same privileges and the same breadth of function as any other trade unionist, in my view.")

As for the farmer's inability to pass on labour cost increases, the

board says other employers are no more free to do so within the free market system.

The prices of B.C.'s primary resources, for instance, are dictated by the world markets to which they are exported. The lumber and mining industries are in an analogous position to that of the farm because their prices are similarly dictated by factors beyond their immediate control.

"The answer for the farmer must, in the final analysis, be an increase in efficiency in the production process," the board says. "Indeed, it is the inevitability of that solution which has provided the impetus for the trend which has already developed for larger, more economical farm units."

On the question of the chronic farm labour shortage, the board comments rather acidly: "It is not

impertinent to suggest that that problem may well be attributable to the exclusion of labour standards and labour relations legislation from farm workers in the past."

The B.C. decision amounts to the clearest enunciation yet of the role of collective bargaining in agriculture. No one in B.C. believes there will be a headlong rush by the unions to organize farm workers. Because of the cyclical nature of their employment, farm workers will be hard to organize and the OCAWU at South Peace Farms will not have an easy time in keeping that unit together or in bargaining a collective agreement.

But the philosophical arguments at least have been swept aside and it will remain only for the trade union movement to work out the practical procedures to bring farm workers into labour's fold. **[9]**

Toronto Star Syndicate



"Have you been listening to the 6 o'clock news again?"

Confederation College's practical program of industrial relations training

by Roy LaBerge

Graduating classes of the three-year industrial relations program at Confederation College in Thunder Bay have been spared the fate of so many other college and university graduates of recent years — unemployment or underemployment. Employers have been hiring them to work as IR practitioners at starting salaries of from \$12,500 to \$18,000.

One reason: they are not just ivory-tower theorists. Their training includes three months' field work in industrial relations with a company, and two weeks with a union. Confederation's post-secondary program is one of the few in Canada that combine exacting academic study with practical experience. Because the students are also urged to seek summer jobs in industrial relations, most have a full year's experience in the field by the time they graduate.

And while most graduates are hired by industry or government, the college made a significant breakthrough when a member of the Class of '76 was taken on as a business agent by the Service Employees International Union.

The program is headed by Dr. Arjun Aggarwal, a 45-year-old, Indian-born specialist in industrial relations legislation who says the field work placements ensure that the students' theoretical studies are "enriched and supported by practical work experience." As coordinator of labour-management studies at the college, he gets

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regular reports from the companies, not only on the students' work, but on their attitude, initiative, "adjustability," dependability and willingness to undertake responsibility. The students spend a week preparing for their field assignments, and Dr. Aggarwal advises them that their conduct on the job must be "business-like and above reproach." On their return to the campus, they share their experiences in seminar discussions with their classmates.

For example, Russell J. Baker reported that one of his first tasks, on assignment in Winnipeg to the employee relations section of the Manitoba Telephone System, was to calculate the cost of operating an automobile.

"The shop installers were using their own vehicles considerably more than other employees," he explained, "and they felt they were not receiving enough mileage payment to cover their expenses. We researched the cost of operating a motor vehicle, including the cost of vehicle, insurance, financing, depreciation, etc. When these facts were presented to the union, they agreed that the mileage rate they were receiving was adequate."

John Wilcox revised job analysis

check sheets with first- and second-line supervisors at Noranda Mines Limited's Geco division of Manitouwadge, Ont. The check sheets were for later use in developing job descriptions and as job evaluation guides. He also compiled turnover data and reviewed the firm's hiring forms and procedures and the company benefit plans.

Another student, H.B. Holmes, studied the pay and classification system at the Canadian Wheat Board in Winnipeg and made several recommendations for changes, some of which the board adopted. The board also assigned him the task of examining various long-term disability insurance plans and program appraisal plans. He spent much of his field work in the arduous task of helping clarify the ways in which the anti-inflation legislation applied to the board, and he participated in discussions



of manpower planning, selection classification and day-to-day problems of personnel administration.

Those are just three examples. The other students make similar reports of experiences with other employers where they put the knowledge learned during exacting academic studies to work on practical problems in industry.

Students found their union assignments equally rewarding. "I experienced the joys and agony of a business agent," said Gerald Foley of his work with Local 607 of the Labourers' International Union of North America — the joys of being able to effect corrections to wrongs that workers are enduring; the agony of telling members that jobs are few and the waiting list long."

Foley spent two weeks visiting work sites with Jorma Halonen, the local's business manager, whom the student found "very frank and open." Foley also spent some time reviewing contracts that were to be renegotiated, and found "great satisfaction" when the business manager asked for his suggestions and took them seriously, "making notes of them and accepting my point of view regarding the interpretation of problems that could arise with the present wording of the contracts."

Foley's work was not blessed with total success, however: "My next assignment was to search for any precedent cases regarding policy grievances which the union is planning on filing. Unfortunately, I was unable to find any."


Kenneth Williams spent two weeks travelling with Andy Lavoie of the United Steelworkers of America, in the Pickle Lake region about 440 miles northwest of Thunder Bay. The union represents both miners

The holder of a doctorate in labour laws and industrial relations from the University of Illinois, Aggarwal wrote his doctoral dissertation on Indian and American labour legislation and practice under R.W. Fleming, who has since become president of the University of Michigan. And among his mentors during his studies at Northwestern was W.W. Wirtz who later became U.S. secretary of labor. Aggarwal also taught law, with the rank of associate professor, at the University of Delhi, and was a senior research Fellow at the University of Michigan at Ann Arbor.

He is the author of several books and published reports, and numerous articles in professional journals. He has also conducted research projects for the International Labour Organization and the federal government. One of his contributions to research was a 76-page handbook cataloguing all the literature available in the four major libraries in Thunder Bay on arbitration and conciliation, industrial relations, labour economics, labour law, personnel management, trade unions and related areas.



Aggarwal

The respect in which he is held by labour, management and government is indicated by his years of experience as chairman of arbitration boards and boards of conciliation and conciliation commissions in both federal and provincial jurisdictions. He is also an arbitrator approved by both the provincial labour-management arbitration commission and the Ontario police arbitration commission, as well as a fact finder under the Ontario education relations commission, and a referee under the Ontario Employment Standards Act. 

and office employees at the UMEC mine property, more commonly known as the Thierry Mine. The visits, which included participation in union meetings and a tour of the underground operations, also gave Williams an opportunity to research a term paper on a five-week strike at the mine that ended Jan. 8, 1977. He also heard discussions of alleged violations of the contract by the company; witnessed an election to fill vacancies on the union executive, and participated in grievance discussions with management at the third-step level.

Williams concluded that a union staff representative must be "truly

dedicated" to his work: "The hours he spends travelling away from home and family are not unlike those of a salesman on the road."

"The manner in which he directs the democratic process of majority rule allows one to see decisions being made at the grass roots level by members themselves. The tactful, firm and supportive manner in dealing with union executives, local members and management personnel is an area where the union representative must be dedicated and imbued with common sense." Williams became convinced that USWA representatives "are working to assist the

members of the locals whenever possible."

Other labour organizations with which students are placed for field work include the Thunder Bay and District Labour Council, the Canadian Union of Public Employees, the International Brotherhood of Electrical Workers, the Public Service Alliance of Canada and the Service Employees International Union of Canada.

The College's work is not limited to meeting a demonstrated need for trained graduates in industrial relations, however. It also sponsors conferences at which union, management and government leaders exchange views on timely issues. Aggarwal views the campus as a "neutral ground" where the protagonists in industrial relations can meet away from the confrontations of negotiations and the day-to-day administration of collective agreements.

Such conferences have been held on a wide range of topics, including collective bargaining in health services; in school systems; and in the federal public service; workers' share in productivity; settlement of grievances in the federal public service; strikes and the law; industrial relations and the media.

Wallace R. Dubinsky, a Thunder Bay labour lawyer, praises Aggarwal for his ability "to bring the various interested parties together to explain their point of view and, hopefully, to understand the other person's point of view." Dubinsky says that though such sessions don't appear to produce an immediate settlement or solution, they have gradually changed the climate of labour-management relations in the Thunder Bay region:

"My first involvement with labour relations approximately 15 years ago left me with the distinct impression that the hostility and animosity then in existence would not at any time bring labour peace to the area. But the climate is changing now. Many negotiations between the parties at the present time have resulted in very amiable consultations, with what appears to be a sincere desire to solve problems that may exist in any particular industry." Aggarwal deserves credit "for doing something concrete to foster this new attitude and relationship."

Confederation's post-secondary program is one of the few in Canada that combine exacting academic study with practical experience

This theme was echoed by J. Gilbert Hay, a vice-president of the United Paperworkers International Union, who participated in a College-sponsored labour-management seminar at Marathon, Ont.: "In most cases when union executives meet company management, the occasion is contract negotiations or part of the grievance procedure, and both sides are protecting their own interest. Under these circumstances, frank discussion is almost impossible. But Aggarwal managed to get both labour and management to discuss problems openly and honestly."

And H.E. Done, assistant director for appeals and grievances for the Public Service Alliance of Canada, a participant in a conference on public service negotiations, says it is unfortunate that more educational institutions "are not prepared to take the trouble to organize that kind of educational get-together."

Similar appreciation from management has come for the work of Dr. Aggarwal, whose impressive academic background and experience as a labour lawyer, arbitrator and chairman of conciliation boards and commissions eminently qualify him to prepare neophytes for industrial relations practice and to gather senior practitioners together for meaningful exchanges of views.

He strongly believes in the need for competent industrial relations people, and the role of post-secondary institutions in preparing them for Canadian society. The increasingly complex nature of business organizations, "demands specialists in the management of the most important component of any business — its employees," he says. As a teacher he is an exacting taskmaster who warns applicants that they will be expected to meet demanding standards. The results show in the employment records of his graduates.

When he gathered a group of them recently to evaluate the program, they included Reginald Sloan, manager for personnel and industrial relations of Hawker Siddeley (Canada) Limited's Canadian Car Division; Rodney Halstead, assistant employment supervisor for Great Lakes Paper Co. Ltd.; Terry Perrier, training officer for Steep Rock Iron Mines Ltd.; and George Kytaykoa, personnel officer in the human relations branch of the Ontario ministry of health. Other graduates have found employment with Canada Packers Ltd., Winnipeg; St. Joseph's Hospital, Thunder Bay; Brandon General Hospital, Brandon, Man.; Domtar Ltd., Red Rock, Ont.; the Labour Relations Council of the Winnipeg Builders' Exchange, and the Workmen's Compensation Board in Thunder Bay.



Not just ivory tower theorists

Students who successfully complete only four semesters — two years — of the program qualify for a diploma in industrial relations (personnel). An additional two semesters entitle the students to an additional diploma in industrial relations, and it is these graduates who are particularly in demand.

Their value to any employer is apparent from the list of courses they must complete during the intensive program. In the first and second semesters they take subjects offered to all students in the college's business division — accounting, business mathematics, business organization and management, industrial relations practices, introduction to marketing, principles of economics, minimum labour standards and social legislation, industrial relations terminology and research techniques, personnel management, Canadian trade union movement and, of course, some elective subjects. This program provides, as Aggarwal puts it, "a base and an introduction to the business scene."

In the third and fourth semesters they acquire training in basic knowledge and skills, which, according to the co-ordinator, "are

required in any facet of industrial relations" — report writing and group-leadership skills in the labour-management setting, business law, management by objectives, human relations in industry, collective bargaining, wage and salary administration, labour relations law, safety and accident prevention, employee benefits and services, grievance procedure and arbitration, industrial disputes law.


The final year includes the three-months experience with an employer, but before undertaking it the students must complete courses in public relations, employer-employee relations in public employment, industrial relations in the Prairie provinces, comparative industrial relations systems and union-management co-operation, industrial relations research and, of course, the job orientation seminar preparing the students for their field work. In the final semesters, the emphasis is on the students developing "self-initiative and communications," Aggarwal says.

An advisory committee of management and labour officials helps him ensure that the program keeps abreast of the many changes in



A "neutral ground"

industrial relations. Its members include John Bates, manager, Thunder Bay Manpower Centre; John F. Keenan, Central Canada supervisor for Noranda Mines; R.W. Willson, director of personnel, City of Thunder Bay; Reginald Sloan, manager for personnel and industrial relations, Canadian Car Division, Hawker Siddeley; B.G. Weiler, a partner in the law firm of Weiler, Maloney and Nelson; Norman E. Richard, president, Thunder Bay and District Labour Council; and three union staff representatives, Henry Gareau of the United Steelworkers of America; E.M. Stencer of the Office and Professional Employees International Union, and Alfred A. Johnston of the United Auto Workers.

Employers participating in the field placement program in addition to Noranda Mines, the Canadian Wheat Board and the Manitoba Telephone Systems, include: Manitoba Hydro, Winnipeg; Mattabi Mines Ltd., Ignace, Ont.; Port Arthur General Hospital, Thunder Bay; International Nickel Co.; Great Lakes Paper Co., Thunder Bay; Hawker Siddeley; Steep Rock Mines, Atikokan, Ont., and the Ontario Department of Labour. 

The debate on industrial democracy: a perspective on Britain's Bullock report

by Robert J. Davies

The concept of worker participation is currently in vogue. So much so that after clinical trials in several of the economically more successful European countries — most notably in West Germany — participation is now being heralded in some quarters as the potential industrial relations wonder-drug of the 1970s. Almost everywhere, its supporters cite the same sort of arguments in its favour. Participation, they claim, is not only morally sound in principle but also has the practical advantage that it reduces alienation and improves worker morale, thus serving to foster both industrial harmony and economic growth. Indeed, if all the claims that have been made for worker participation are to be believed, there is no industrial relations ailment whose symptoms it cannot help to alleviate — from increasing absenteeism, high labour turnover, sagging productivity and declining product quality, through to such collective manifestations of industrial conflict as strikes and boycotts. All, it appears, will eventually succumb to the healing powers of the elixir of participative management.

The reality, however, has been somewhat different, and has invariably failed to live up to this rather utopian vision. Moreover, this conclusion remains valid regardless of the form of worker participation adopted, or the country in which it has been practised. Whether it be through some form of joint consultation on works councils as in Austria, Denmark and the Netherlands; through a combination of these councils and

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minority representation on supervisory boards as in the bulk of West German industry; or even through parity representation under a system of co-determination as in the German coal, iron and steel industries; in all these cases the evidence is broadly the same. Participation has not brought great leaps in productivity, nor has it brought power and influence to the ordinary worker.

Indeed, in those European countries that have adopted some form of industrial democracy the experience of the typical worker appears to have changed very little. Participation through elected representatives has merely brought active involvement in the decision-making process to a selected few, and the creative potential of the average worker has continued to be largely ignored. Moreover, even the scope of this essentially vicarious form of involvement has been severely constrained by the existence of strong pressures on worker representatives to adhere to strict norms of confidentiality, as well as by the frequent lack of strong institutional links with other representative bodies such as unions.

However, if the reality of worker participation has generally failed to live up to the claims of its more extreme proponents, it has similarly failed to produce any of the more disastrous consequences

predicted by many of its opponents. The evidence from Europe, for example, suggests that worker representatives have generally observed established norms of company secrecy, and have invariably shown themselves to be sufficiently aware of the realities of the market that they have neither endangered business efficiency, nor harmed the interests of shareholders and investors. Indeed, it has been suggested that it is this very incorporation of worker representatives into the function of management that has been responsible for their relative lack of success in promoting genuine joint decision-making in industry.

Even accepting these criticisms, however, it is still generally considered that on balance the impact of worker representation at board level has been favourable. In the German 'co-determination' industries, for example, managerial autocracy appears to have declined significantly, personnel management has developed, and the organization of work has been improved. Furthermore, while worker directors have rarely, if ever, pursued workers' interests to the extent of opposing closures, they have at least ensured that social considerations have been more fully recognized.

Nevertheless, these essentially 'human relations' benefits are still modest in relation to the claims that have been made for worker participation, and hardly seem capable of accounting for its current level of popularity. Indeed,

summarizing the European experience of industrial democracy, one recently published report put the situation in the following terms: "In view of the limitations that have been placed upon the impact of worker directors it would be most unwise to see them as anything more than a marginal contribution to industrial democracy and industrial relations." In fact, the report goes on to stress that in its view, "worker directors generally had little effect on anything or anybody."

In the light of this statement, how does one explain the prominence that the notion of industrial democracy has gained in public debate in recent years, or the enthusiasm it has aroused in official circles?

Participation has not brought great leaps in productivity, nor has it brought power and influence to the ordinary worker

An examination of the background to the current debate in Britain — where the findings of the Bullock committee report on industrial democracy have recently been published [see p.268] — provides one answer to this question. An answer, moreover, that is not without relevance to other countries — including Canada — in which some form of industrial democracy is now being considered as a realistic possibility.

In general, three distinct factors may be distinguished as having had a significant impact in stimulating renewed interest in industrial democracy in Britain.

Firstly, there has been the influence of the Common Market (EEC), where the majority of member states have already introduced legislation instituting some form of worker participation at board

level. However, of particular significance in this connection is the fact that the European Commission is currently in the process of revising its draft proposals for a fifth directive on European company law, which includes provisions for employee representation on supervisory boards of all companies in the community with over 500 employees. Thus, given that Britain has lagged behind the rest of Europe on this type of legislation it is inevitable that sooner or later she would have had to become involved in some sort of debate.

Secondly, and of more general significance, however, is the fact that the upsurge of public and official interest in worker participation has been coincident in a number of countries with the experience of high rates of unemployment, rapid inflation, stagnant output and growing industrial unrest. These developments have inevitably imposed considerable strains upon existing industrial relations institutions, and have led to a critical re-examination, in Britain and elsewhere, of the basis of the prevailing industrial relations system. This has provided a powerful stimulus to a wide variety of ideas on industrial democracy.

In Britain, for example, the growing need for management to harness the support of employees for economies necessitated by financial problems has given a definite fillip to the cause of worker participation — albeit in a fairly watered-down form. This trend has been most obvious in companies such as British Leyland, Alfred Herbert, Ferranti and Chrysler UK, all of which have instituted worker-management consultative committees over the past year to help with their financial problems.

Undoubtedly, however, one of the most important factors in promo-

...one of the most important factors in promoting public discussion as well as renewed official interest in industrial democracy has been the changed attitude of Britain's trade union movement

ting public discussion as well as renewed official interest in industrial democracy has been the changed attitude of Britain's trade union movement. Historically the notion of union representation on boards of private companies was rejected by British unions as incompatible with trade union independence. Most unionists therefore considered it better for unions to promote workers' interests by acting as a "permanent and independent opposition." As a consequence, progress in industrial democracy in Britain has largely been through the extension of collective bargaining at local level, with heavy reliance being placed upon the workplace shop stewards movement. Although over the last decade trade union influence has also been more in evidence at the national level where, through the Trades Union Congress (TUC), unions have come to play a highly significant role in the development of economic policy — and most notably in the formulation of recent incomes policies.

These developments in 'participation' at local and national levels, however, have left a significant gap in worker representation at company level — a gap that many trade unionists now consider can be adequately filled only by employee representation on company boards. Not surprisingly, this conversion to worker participation has also been accompanied by the development of fairly precise views on the form that such representation should take, and these

views are laid down in some detail in the TUC's report on industrial democracy, published in 1974.

Fundamental to the position adopted by the TUC in that report is the view that capital and labour should be equal partners in the modern industrial enterprise, and that this equality should be expressed by allotting 50 per cent of the places on the board to worker representatives. Moreover, the TUC is insistent that if representation is to be effective and not merely "an illusion of power and influence without the reality" then it must be on a board with genuine decision-making authority.

If the Bullock committee was intended to produce a scheme agreeable to both unions and management, it must clearly be regarded as a failure

In addition, the report argues that the selection of worker representatives should be through existing trade union machinery rather than through a specially created separate channel that is independent of, and therefore in potential competition with, the existing shop floor union movement. This the TUC considers to be essential if collective bargaining and board level representation are to be compatible with one another, and also if the accountability of elected representatives to their constituents is to be more adequately safeguarded than has been the case in Europe.

There can be little doubt that the publication of these proposals by the TUC had a powerful catalytic effect in stimulating the British debate on industrial democracy. Indeed, it was largely in the wake of this debate that the Labour government announced the creation of the Bullock Committee to advise on "questions relating to

The Bullock report at a glance


Majority proposals

1. Any firm with more than 2,000 employees must introduce worker directors if a secret ballot of all workers shows a simple majority (equal to at least one third of the work force), in favour.
2. Worker directors to be chosen only through union channels.
3. Equal numbers of union and shareholder representatives on the newly constituted boards (the "2x" element), plus a smaller group of co-opted directors agreeable to both parties (the "y" element).
4. Worker representatives to serve on unitary boards rather than merely on supervisory boards under a two-tier system as in Germany.
5. Worker directors to normally serve for three years with expenses but no fee, but can be removed earlier if all the unions agree.
6. Subsidiaries of large companies can also opt for worker boards if they employ more than 2,000 people. Moreover, both British and foreign multinationals are included in the proposals.
7. An Industrial Democracy Commission to watch over the rules, encourage participation and if necessary impose the 'y' group in cases where unions and shareholders cannot agree.
8. £3m (about \$5.4m) to be set aside to train union candidates in management, company law, and

finance. However, the report also envisages that shareholder directors would have to learn how to interact effectively with employee representatives.

Minority proposals

The minority report sets out five "fundamental issues" on which there should be no compromise, "if the government is determined, in spite of the difficulties and dangers, to introduce new laws."

1. Where a secret ballot reveals a majority of employees in favour of representation at board level, such representation should be on supervisory, not unitary boards.
2. Employee representatives should always constitute less than half of a supervisory board.
3. Employee representatives should include at least one representative of all categories of employees — from the shop floor payroll, from salaried staff employees, and from management.
4. The issue of board-level representation should not be voted upon until a complementary 'sub-structure' of an employee council has been established and operated effectively for a specified number of years.
5. All employees (not just members of trade unions), should be involved in elections both to employee councils and to supervisory board appointments. 

worker participation at board level in the private sector of British industry."

The committee's findings (see box), which were published in January of this year, represent the results of 12 months deliberation by three prominent trade unionists, three industrialists, three aca-

demics (including the chairman, Lord Bullock) and a lawyer — a composition which, as it turned out, was not dissimilar to the '2 x + y' formula later advocated in the Bullock majority report as appropriate for Britain's democratically constituted boardrooms of the future.

Ironically, however, as far as the Bullock committee's own deliberations were concerned, this formula for promoting more democratic decision-making in British industry operated in a way that merely served to confirm the worst fears of many of the critics of parity employee representation. The committee not only failed to reach a consensus on its proposals, but also contrived to polarize itself along sectional lines. The outcome of this disagreement was the publication of a separate minority report by the committee's three industrialists. A somewhat inauspicious start to the new era of co-operation between capital and labour in industry which many — Bullock included — hoped would be instrumental to Britain's economic recovery.

If the Bullock committee was intended to produce a scheme agreeable to both unions and management, it must clearly be regarded as a failure. Indeed, so far the committee's proposals have merely served the purpose of emphasizing the extent of the gulf that still exists between the two sides of British industry on the question of industrial democracy. Industrialists, who a few months ago were openly declaring their support for increased worker involvement, are now vying with one another to produce the most apocalyptic vision of what will happen if the government accepts the Bullock committee's plans in full. The Confederation of British Industry, which has for some time been making encouraging noises about "the need to promote employee participation in decision-making", and even advocating the negotiation of statutorily backed participation agreements between large companies and their employees, is now threatening to withdraw from the government's much vaunted tripartite industrial strategy.

...an opinion poll...showed 87 per cent...to be against the election of worker directors through union channels

It is not only industrialists who are upset, however. There are also a number of trade unionists who are far from happy with the committee's proposals. Thus the National Union of Mineworkers and the Engineering Workers and Electricians Union have already told the government that they would prefer to stick to their existing collective bargaining arrangements. The Electrical, Electronic, Telecommunication and Plumbing Union have stated categorically that in their view "it is not the responsibility of work people to manage the enterprise."

What has gone wrong? Much of the blame for the hostility aroused by the Bullock report must undoubtedly be laid at the door of the government and the terms of reference it chose to give the committee at its inception. Bullock was appointed not to weigh the pros and cons of industrial democracy, or even to produce a workable definition of what is, after all, a notoriously vague concept. Rather it was set up to advise on the implementation of a policy already assumed to be desirable and already largely defined.

Specifically the committee's terms of reference were: "accepting the need for a radical extension of industrial democracy in the control of companies by means of representation on boards of directors, and accepting the essential role of trade union organizations in this process, to consider how such an extension can best be achieved, taking into account in particular the proposals of the Trades Union Congress report on industrial democracy as well as experience

in Britain, the EEC and other countries".

The three industrialists on the committee considered this remit to be, "far from satisfactory or even wise." As they stated in their minority report, they considered the important issue to be not so much the mechanics of *how* to implement industrial democracy, but the more fundamental question of *whether* a system of worker directors should be implemented at all.

In addition, many observers felt that the terms of reference effectively tied the hands of the committee and largely pre-judged many of the most important issues. Indeed, some critics have even gone so far as to suggest that the "pro-union" tone simply confirms that the appointment of the Bullock committee, along with the Labour government's promise of early legislation on industrial democracy, were merely part of a quid pro quo arrangement with the TUC for agreement on a voluntary incomes policy.

Are these charges fair? Were the terms of reference "fixed" and the conclusions "pre-ordained" as an Opposition spokesman has claimed?

Certainly there does seem to be a large degree of inevitability about several of the committee's proposals. For example, combining the requirement that the committee accept the need for a *radical* extension of industrial democracy with the conclusion, quoted earlier, that worker participation in Europe — and in particular under a system of minority representation on supervisory boards as in Germany — has had "little effect on anything," does seem to propel the committee inexorably towards the advocacy of parity worker representation on unitary boards.

Moreover, the marked similarity between the majority proposals and the submissions made by the TUC (most of which were included in its 1974 report on industrial democracy), has not escaped notice. Indeed, one of the most contentious issues of the entire report appears to have been the proposal that the channel of representation be based on existing trade union machinery — a requirement that has always been dear to the heart of the trade union movement. This proposal, which many consider to have been dictated to the committee in its terms of reference, appears to have generated more widespread hostility than any other. So much so in fact that an opinion poll conducted shortly after the publication of the Bullock Report, showed 87 per cent of those questioned to be against the election of worker directors through union channels.

The argument put forward in the majority report to justify this particular proposal is essentially that if employee representatives are to be effective they will need the support of a representative body that is both independent of management and capable of providing a base within a more thorough-going system of representation. However, to allay fears that basing representation on trade unions would lead to the effective disenfranchisement of a large number of workers who are not members of a union, the report goes to great lengths to demonstrate that in those enterprises for which the proposals are relevant (i.e. those employing over 2,000 workers), trade union membership is in the order of 70 per cent of the labour force.

Nevertheless, the report does recognize that without some safeguards, a union representing a minority of workers could easily

force the majority to accept board level representation against their will. For this reason, a procedure for "triggering" the system has been included, which requires that a secret ballot of *all* employees — whether union members or not — show a simple majority equal to at least one third of the work force to be in favour of boardroom representation.

Neither this safeguard, nor the majority arguments for a system of union-based representation have done much to assuage the hostility of the report's critics. In an interview given after the publication of Bullock, the minority signatories declared that the majority proposals were based on "the ideological concept of control by organized labour and had nothing to do with genuine democracy." A leading Opposition spokesman condemned the report as "merely serving the purpose of putting trade unionists into power in British companies."


In defence of the committee's proposals, however, it must be emphasized that the power of the trade unions in Britain is a reality which cannot be ignored or circumscribed. Indeed, any attempt to establish a parallel structure of representation in British industry along European lines would inevitably be doomed to failure. The unions would simply wreck it. The proposals of the majority report, therefore, are not so much a recipe for the further extension of union power as a recognition of the fact of that power and an attempt to accommodate it.

This last point is of considerable significance and effectively highlights the nature of the dilemma currently facing the government on the issue of the implementation of the Bullock proposals. Industrial relations legislation in Britain has had an unfortunate history, not

least because of past failures to take full account of the views of the unions, and to recognize the power at their disposal. The importance of this lesson has not been wasted on the present government. However, if industrial democracy is to work there has to be an equal commitment from *both* sides of industry. Unfortunately Bullock has done little to generate any common ground.

Indeed, if the government goes too far in the direction suggested by Bullock they will face immense opposition from the employers' side of industry. If, on the other hand, they fail to deliver realistic proposals to the TUC they will do considerable damage to their prospects of successfully reaching a voluntary agreement on Phase Three of the social contract.

How this dilemma will be resolved is not yet clear. The most likely outcome is for some kind of minority participation on unitary boards, with representation nominally based on union machinery but allowing all employees a say in the election of representatives. This at least would represent something of a half-way house between the demands of the TUC and the fundamental issues of "no compromise" advanced by the industrialists in the minority report.

Whatever the outcome, however, it is unlikely that the system chosen will produce any radical changes in the running of British industry. That, at least, is the lesson from Europe. But one thing is reasonably certain: when industrial democracy through worker directors finally does come to Britain — as come it must — the major stimulus will have come more from 'intellectuals, propagandists and politicians' than from the rank-and-file workers who are supposed to be doing the participating. Perhaps that is the key to the whole issue. 

Labour education in Quebec

by Francis Mallet

In December 1976, *The Labour Gazette* published a series of articles on labour education in Canada. That same month, the quarterly CLC magazine *Canadian Labour* dealt with the same subject. From the *Gazette* articles written by Mark Alexander, Herbert Levine, Marc Zwelling and Dieter Schachhuber, it appeared that union education, in the broad sense of the term, would soon become a high-priority objective for union federations in Canada.

Clare Booker of the Canadian Labour Congress articulated this new orientation of the union federations, stating that in an increasingly institutionalized society such as ours, unionized workers would have to develop a special ability to know and understand the socio-economic objectives that society proposed for them. In light of experience in this area in Manitoba, Ontario and the Maritimes, the author of the article concluded that each Canadian worker or union official wishing to be a responsible member of society should accept the idea of continuing education, education that would enable him or her to analyse critically their situation in the work environment.

The *Gazette* articles also made reference to the first indications of co-operation between unions, employers and governments in the English-speaking provinces with a view to establishing common policies for improving the education of unionized workers. Observing that a certain degree of co-operation among officials responsible for workers' education had been possible in various

Francis Mallet, a former union official, is a teacher and free-lance writer.

regions of Canada, the author asked whether such awareness and co-operation could come about in Quebec, if not soon then at least in the long term.

In order to answer this question, the author contacted the four major union federations in the province of Quebec, as well as the Public Service Alliance of Canada; his purpose was to find out about their education programs and the content of their courses, and to learn from their officials whether Quebec unions would be prepared to co-operate in joint education programs should the opportunity arise.

Officials of the CSD, CNTU, CEQ, QFL and PSAC, provided the author with numerous documents dealing with the education of their members. An analysis of this documentation shows that each federation has its own method of training its members. In general, however, all the courses given cover, with varying emphasis, the following subjects: the history of the federation in question, the aim of unionism, the objectives of the federation, the founding of a union, its functions, the role of its officers, how a meeting is conducted, legislation related specifically to the trade or occupation of the members receiving instruction, the formulation of a grievance and its preparation by the steward and, finally, a theoretical approach to collective bargaining. These courses are given during week-

ends, by volunteer union members or staff members of the federation, or sometimes during sessions covering several weekdays. These courses are always theoretically sound, well presented and well structured, with judicious use of audio-visual techniques. They are financed entirely by the unions.

These, then, are the similarities among the Quebec union federations in the area of education. Let us now examine the differences. In the Confederation of National Trade Unions (CNTU), the educators always portray the employer as an odious, miserly character with little concern for the health and well-being of his employees, who constantly tries to defy the law and turn it to his advantage.

In the Centrale de l'enseignement du Québec (CEQ), the Quebec Teachers' Congress, union officials seem to be concerned primarily with Marxist ideology and its dissemination. The instruction given is intended mainly to produce politicized union officers rather than purely effective ones. The class struggle and Marxism are basic to the entire educational vocabulary.

In the Quebec Federation of Labour (QFL), the emphasis is on the effectiveness of the organization, and the objective of the education provided is to produce union officers who are true professionals capable of solving all the problems relating to the union function. Moreover, this specialization on the part of some members enables them to become salaried staff. A certain degree of confusion results, however, and at some

meetings staff members make decisions in place of elected representatives.

In the Centrale des syndicats démocratiques (CSD), the primary objective of labour education is to produce officers who are militant in the fullest sense of the word, that is to say thinkers and men of action, whose union training will enable them to cope with the many facets of the labour struggle. The CSD, which seeks to be a militant labour body, nevertheless considers the employer, with whom it bargains, as of good faith *a priori*, until he shows evidence of behaving otherwise. Accordingly, the education provided by the CSD deals with the role of the labour leader in the work environment. In other words, union officers are taught to analyse the media, be critical at all times, weigh various considerations, prepare and distribute newspapers and information, bargain with the employer and give direction to union locals.

In the Public Service Alliance of Canada, a group of the various public service unions in the federal government, including those operating in Quebec, education is oriented primarily toward the training of negotiators. To this end, union training for members is administered in stages. For the Alliance, the first stage consists in providing its members with basic courses covering the role of union officers and shop stewards. The Alliance then offers seminars constituting an introduction to the negotiation of a labour agreement. For union officers who wish to specialize or increase their knowledge, the Alliance provides correspondence courses in economics, labour law, political science and sociology. Finally, the Alliance awards bursaries to those of its senior officials interested in participating in sessions of several

The problem with labour education in Quebec is that it no longer adequately meets the needs of our times

weeks' duration at the Labour College of Canada. These courses are bilingual, are given on the McGill University campus in Montreal, and cover the study of social class, economics, politics, unionism and its history.

This, in broad outline, is the type of training received by workers in the province of Quebec: it is simple, even superficial, with the exception of the CSD and Alliance programs, and it involves only a small percentage of union members — apparently between 15 and 20 per cent, primarily a core group of lower-level union officers. Either the great majority of workers have voluntarily stayed

out of the picture, as in the QFL, or they reject an indoctrination tinged with Marxism, as in the CEQ and CNTU, and abstain from any active participation.

The problem with labour education in Quebec is that it no longer adequately meets the needs of our times, and it does not enable paying members to express themselves knowledgeably on the major problems of the day. First of all, it appears that the documentation distributed is too complex, and that most union training programs neglect the practical aspect of the education of the active union member. In other words, future union officers rarely or never take part as observers in negotiations or strikes already in progress or assist experienced officers in the exercise of their duties; such training would enable them to acquire first-hand experience without subjecting the organization to major risks.



"If it'll make you feel better disposed towards 'em, a large block of our shares are held by their union pension fund."

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Finally, the courses offered are expensive and are not credited, and their content has no real pedagogical basis. Union leaders in the province of Quebec were therefore asked if they would be prepared, within the framework of joint discussions with government, employers and universities, to review their educational plans in order to give them a new orientation.

There was no official response from the CNTU, since serious internal troubles have put some distance between the executive and the officers responsible for education. However, an unequivocal response was received from the junior staff members of the Hull office: the union will not co-operate with the government, employers or universities in the area of labour education. The CNTU appears to see in this type of joint effort an indirect means for the "ruling class" to co-opt the labour movement. However, the union indicates that it is prepared to accept any financial assistance the government might offer it for the purpose of promoting its educational activities.

Serge Bail of the CEQ gave an almost identical response to that of the CNTU. He affirmed that for the CEQ the ideological training of union officers is and will remain the union's primary concern. There could be no question, said Bail, of entrusting outsiders with such a form of education. It should be pointed out that this stand is to be moderated. Indeed, in February 1977 the president of the Hull local, Pierre Roy, agreed to take an active part in a course on unionism given by the University of Quebec at Hull.

This, then, is the position of the two most politicized central labour bodies in Quebec.


As regards the CSD, a federation whose stated objective is to depoliticize the struggle for social progress, Mr. Hétu, its vice-president, said in an interview that his organization would not consider entrusting the education of its officers to the university or any other school. The reason, he said was simple: graduates of the Labour College of Canada were immediately co-opted by management. Moreover, he added that his organization was soon going to open its own staff training school. In the meantime, union members wanting further training could always take adult education programs provided by the government. Finally, Hétu indicated that his federation would strive to obtain from the powers that be, legislation that would guarantee that workers could return to their jobs after a period of union education.

In the QFL, Quebec's largest labour federation, a different spirit prevails. Lise Ménard, the president in Hull, assured the author that her federation would be prepared to hold a dialogue with the university, government and employers in order to work together to establish good education programs. Ménard would also like the courses to be credited, like the formal education already acquired by the workers concerned. Moreover, she favours legislation that would guarantee workers new rights in this area.

Fritz Bauer, assistant director of education for the Alliance, and

Jean Claude Bault, education officer, said in an interview that the PSAC insisted on educating its officers itself. However, the possibility of co-operating with the government had already been considered and tried. Three joint committees had already met to debate the question. A report on the subject had already been submitted to the Department of Labour. Nevertheless, Alliance officials remain sceptical as to the chances for the success of such co-operation.

In their view, the university could not provide the solution to the problems involved in worker education today. In this connection they affirmed that professors, consciously or not, unfortunately continue to train their students to reinforce the already considerable strength of business. Moreover, they added, university professors do not know how to speak the language of labour. They conclude that the education of the rank-and-file must remain the responsibility of the union alone, and of the Labour College of Canada for the training of senior officers.

From this brief survey of worker education in Quebec, it seems possible to conclude that labour education is behind the times. It would seem that it is based on principles originating in the late nineteenth century, and is transmitted in an outmoded and inefficient manner. Finally, it should be added that such education is designed only for a privileged few. This is regrettable, and union officials in Quebec will soon have to reconsider their positions in this regard if they sincerely wish to help build tomorrow's society. 

Labour legislation in Canada, 1976

Part 4: Employment standards

by S. Allan Nodwell

Changes of a major or minor nature were enacted in most of the jurisdictions. Amendments touched upon payroll records, hours of work, general holidays, paid vacation, maternity leave, payment of wages, equal pay, administration, termination of employment and minimum wages.

Payroll records

In **Nova Scotia**, employers are now required to produce business records upon the request of the Minister or the Director.

In **Manitoba** it is now mandatory to record the name, last known address and occupation of each employee.

The Northwest Territories, in amending the Labour Standards Ordinance, brought in the maintenance of payroll records as an obligation.

An employer shall maintain in each place of business operated by him in the Territories, a time and correct record of the following particulars in respect of each employee at or in connection with that place of business:

- (1)
 - the hours worked or on duty each day;
 - the gross wages and the wage payments made;
 - name, age and residential address;
 - the date of commencement of the present term of employment and the anniversary date thereof;

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- the wage rate, the date and the particulars of each change;
- each annual vacation granted, showing
 - the dates of commencement and completion,
 - the period of employment covered by the annual vacation, and
 - the amount of vacation pay given;
- the amount of money paid in lieu of vacation with pay upon the termination of employment;
- the amount of money paid for general holidays under the Ordinance;
- the amount of each deduction from the earnings of the employee and the purpose for which the deduction was made;
- a copy of any notice of termination of employment;
- the amount of money paid in lieu of notice of termination of employment; but an employer may, with the consent of the Labour Standards Officer, maintain the records in whole or in part at his principal place of business in the Territories or at such other place as he may designate.

(2) records shall be made daily;

(3) they shall be retained for not less than two years;

- (4) records must be produced within a reasonable time upon written request of the Labour Standards Officer.

In **Saskatchewan**, when making payment of wage adjustments, an employer shall deliver to every employee a regular statement of earnings.

Hours of work

In the **Yukon**, the "standard hours of work" have now been set at eight hours in a day and 40 hours in a week, and no employer shall cause or permit an employee to work in excess of the standard hours. Exclusions include employees who are members of the employer's family, employees in mineral exploration, travelling salesmen, supervisory and managerial employees and professionals. Standard hours of work in a week shall be so scheduled and actually worked that each employee has at least two full days of rest in the week and wherever practicable, Sunday shall be one of the normal days of rest.

The **Alberta** Board of Industrial Relations Order No. 58 (1973) governing hours of work and minimum wages in the sugar beet industry has been rescinded.

An amendment to the **New Brunswick** Minimum Employment Standards Act has set the maximum hours of work for employees (previously female employees) under 18 years of age at 9 hours per day and 48 hours per week.

In **Newfoundland**, a person shall not employ a child under the age of 16 years between the hours of 10 (was 9) o'clock in the evening of one day and 7 (was 8) o'clock in the morning of the following day.

The Northwest Territories now base standard working hours on 176 hours in four consecutive weeks instead of 191 hours in a calendar month, likewise maximum hours are based on 216 hours in four consecutive weeks instead of 234 hours in a calendar month.

Public holidays

In **Manitoba**, construction industry employees shall be paid four per cent of their total gross wages as general holiday pay.

New Brunswick stipulates that a payment of 3 per cent of gross pay is equivalent to the public holiday benefits. Further, to be eligible for public holidays, an employee must have been in the employ of his present employer for at least 90 days during the previous 12 calendar months immediately preceding a public holiday.

The Northwest Territories has added the first Monday in August for a ninth general holiday.

In **Nova Scotia**, holiday pay is clarified and an employer must pay an employee for a holiday if he terminates the employment before a substitute holiday is given.

Paid vacation

Manitoba now provides that an employee must work at least 50 per cent of the regular working hours in each of four years in the preceding ten years to be entitled to three weeks for each year of service subsequent to the fourth year.

In **The Northwest Territories** every

employee is entitled, after each year of employment with any one employer, after five years, whether or not that period of employment is made up of continuous years of employment or of years of employment accumulated within the past ten years, to an annual vacation with pay of three weeks. Employment prior to the coming into force of this section shall be included in connecting years of employment.

Maternity leave

In **Alberta**, effective January 1, 1977, an employee who is pregnant and has been employed by her employer at least 12 months is entitled to maternity leave without pay for any period between

- 12 weeks before the estimated date of delivery of the child, and
- 6 weeks after the actual date of delivery of the child.

The pregnant employee shall give two weeks notice in writing of her commencement of maternity leave together with a medical certificate certifying pregnancy and the estimated date of delivery.

The six-week post-natal period may be shortened with the consent of a doctor.

An employee who has not provided the two weeks notice may qualify for maternity leave upon the production of the required medical certificate.

A further period of three weeks may be granted if an employee is unable to return to work due to medical conditions arising following the delivery. A medical certificate must be produced. An employee shall give two weeks notice in writing of the day on which she intends to resume employment and she shall be reinstated in her former position or in comparable work at the same pay and accrued benefits.

The employer is not required to reinstate the employee until the expiration of the two weeks notice.

If the employee has suspended or discontinued operations in part or full and these operations have not resumed upon expiration of the maternity leave, the employer shall, upon resumption of operations,

- reinstate the employee in her former position at not less than the same wages and accrued benefits, or
- provide her with comparable alternative work.

The above obligation extends for a period of 12 months from the expiration date of the employee's maternity leave. Where the pregnancy of an employee interferes with the performance of the employee's duties, the employer may by notice in writing to the employee, require the employee to commence maternity leave.

In **New Brunswick**, an employer shall not refuse to employ a female person who is pregnant for reasons of her pregnancy only. An employer shall permit a female employee to be absent from her work during a period of 17 weeks. This period for pregnancy is now flexible.

Saskatchewan now provides for a maximum of 18 weeks maternity leave without pay after 12 months of continuous employment and under certain conditions. All benefits and the return of the employee to a similar job are protected.

In **Nova Scotia**, an employee now has the option of taking her pregnancy leave or a greater portion of it after the actual delivery. An employer now must also grant leave to a female employee of up to four weeks if she adopts a child of five years or younger.

Payment of wages

British Columbia has brought forth an amendment changing the three-thousand-dollar limit recoverable by means of a certificate to the amount "equal to or less than the monetary jurisdiction of the County Courts".

New Brunswick has increased the statute of limitations under the Minimum Wage Act from six months to one year.

In **The Northwest Territories**, the Labour Standards Officer may make a certificate setting out wages payable. If the Board upholds said certificate, it may register same with the Clerk of the Court and it becomes enforceable as a judgement of the Court.

Nova Scotia now has a new procedure for protection of an employee's pay. It will permit an employee to make a complaint directly to the Director and set into motion the existing procedure.

The Director shall have standing to bring action in any court of competent jurisdiction or otherwise to pursue any claim to recover unpaid pay on behalf of the Tribunal, any employee or group of employees.

Equal pay

In **New Brunswick**, the Female Employees Fair Remuneration Act is repealed.

In **Nova Scotia**, equal pay for women is required for "substantially the same work performed in the same establishment, the performance of which requires substantially the same skill, effort and responsibility".

Administration

In **British Columbia**, the Lieutenant-Governor, by and with the advice and consent of the Executive Council, has charged

the Minister of Labour with the administration of the Public Construction Fair Wages Act.

The **New Brunswick** Minimum Employment Standards Act now applies to the Crown with some exclusions as may be defined by regulation.

The Northwest Territories has established a Labour Standards Board which shall consist of five members, including a chairman appointed by the Commissioner, to hold office for a term not exceeding five years and members of the Board may be reappointed. The members shall be paid a per diem allowance and expenses as prescribed by regulation.

Any employer or employee aggrieved by a decision or order of the Labour Standards Officer may appeal to the Board, and the Board's decision on the matter is final.

Three members of the Board constitute a quorum.

The Board shall sit at such times and conduct its proceedings in such manner as it considers most satisfactory for the proper discharge of its business.

The Board shall hear appeals from any decision or order of the L.S.O. and shall perform such other functions as are assigned to it by the Ordinance or the Regulations.

In **Nova Scotia**, an employer or an employee may appeal an order or decision of the Tribunal to the Appeal Division of the Supreme Court. Other persons, such as competing creditors of the employers, may challenge the order or decision under proposed Section 86(4) by way of Interpleader and the rules of Court.

The Director now has powers for effecting a settlement. The Director's order will be final and

binding subject to the right of the parties to appeal to the full Tribunal and from there to the Supreme Court.

Termination of employment

In **Alberta**, the Board of Industrial Relations Order No. 61 (1975) Governing Notice of Termination of Employment lays down the terms under which the notice of termination of employment shall be issued. This order, effective May 1, 1976, deals with individuals and not groups.

An employer shall give to his employee written notice of termination of employment of at least seven days if the employee's period of employment is greater than three months but less than two years, or 14 days if greater than two years.

An employer, in lieu of notice shall pay the employee a sum of money equal to the employee's regular wages. Where wages vary in periods, the average of the regular wage earned during the three-month period prior to the termination date shall be used.

In **Newfoundland**, the Termination of Employment Act, 1973 was proclaimed effective on May 5, 1976. The notice of termination of employment shall not be less than:

- eight weeks' notice if the employment of 50 or more and less than 200 persons is to be terminated;
- 12 weeks' notice if the employment of 200 or more and less than 500 persons is to be terminated;
- 16 weeks' notice if the employment of 500 or more persons is to be terminated.

In **Nova Scotia**, an employer must give eight weeks notice in writing to a person who is being discharged or laid off if his period of employment is ten years or more.

Minimum wages

In **Manitoba**, effective May 1, 1976, the salaries in the Heavy Construction Industry vary between \$2.90 for flaggers and \$5.95 for hoisting crane operators.

Effective July 1, 1976, the salaries for employees in the Construction Industry Outside Greater Winnipeg and not on Major Building Projects vary between \$3.00 per hour for students to \$8.90 per hour for journeymen plumbers, steamfitters and welders. The hours will vary between 40 and 45 hours per week. In addition, effective July 1, 1976, the wages for employees in the Construction Industry in Greater Winnipeg and on Major Building Projects located anywhere within the Province of Manitoba vary between \$6.70 per hour for labourers and \$9.70 per hour for plumbers, steamfitters and welders. The rates moved upward to \$7.46 per hour for labourers on October 1, 1976 to \$10.70 per hour for plumbers, steamfitters and welders on November 1, 1976. Hours of work vary between 40 and 44 hours per week.

Minimum wage rates in the province rose, effective September 1, 1976, to \$2.95 per hour for workers 18 years and older. On the same date, employees 17 years and under will receive \$2.70 per hour.

The Northwest Territories, effective June 7, 1976, raised its minimum wage to \$3.00 for persons 17 years and over, and to \$2.55 for those under 17 years of age.

Nova Scotia raised its minimum rate to \$2.75 per hour on January 1, 1977 for employees 18 years and over. For employees under 18 years of age and for inexperienced employees it will rise to \$2.50 on the same date.

Maximum allowable rates for board and lodging are listed in the accompanying table.

- board and lodging	\$26.00
- board only	\$20.00
- lodging only	\$ 6.00
- single meals	\$ 1.15

Beauty parlour rates are as follows:

- experienced employees	\$ 2.75
- 1st 3 months	\$ 1.90
- 2nd 3 months	\$ 2.20
- 3rd 3 months	\$ 2.50

Roald Building and Heavy Construction

Every employee	\$2.75
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Logging and Forest Operators

• time workers	\$ 2.75
• persons who have no fixed work week, whose hours or work are unverifiable including camp, gate and dam guardians, cook and kitchen employees, stablemen, watchmen, fire rangers and wardens	\$540. per month

Ontario set a new student rate of \$2.15 effective March 15, 1976. Likewise, a "tip differential" of \$2.50 was set for those employees working in an establishment licensed under the Liquor Licence Act.

Prince Edward Island raised its minimum wage to \$2.50 on July 1, 1976 and to \$2.20 for employees under 18. An employer may change the following maximums when taking into account meals, room or both in calculating the minimum rate:

- board & lodging	\$20.00/week
- board only	\$14.00/week
- lodging only	\$ 6.00/week
- single meals	\$ 1.00/meal


On July 1, 1976, **Québec's** minimum rate rose to \$2.87 per hour and \$2.67 for employees under 18. Likewise, on January 1, 1977, the minimum wage rose to \$3.00 per hour and to \$2.80 for employees under 18. Employees working in hotel trade establishments and who usually receive gratuities are entitled to \$2.65 per hour and \$2.45 per hour for employees under 18.

Amendments to Ordinance No. 9. Forestry Operations brought forth the following changes on July 1, 1976 and January 1, 1977:

- woodcutters paid on a piece-work basis are entitled for each working day during a calendar month to an average rate of \$30.10 per day and \$31.50 per day, respectively,
- other employees hired on a contract basis: cooks, kitchen-helpers, fire ranger: \$25.95 per day and \$27.15 per day,
- watchmen \$23.95 per day and \$25.00 per day,
- other employees \$2.87 per hour and \$3.00 per hour.

Ordinance No. 13, Public Works was also amended on the same above dates with the wage schedule varying from \$2.87 and \$3.00 per hour for a watchman to \$4.71 and \$4.92 per hour for a carpenter-joiner.

Ordinance No. 14, Retail Food Trade was amended effective January 1, 1977. Salaries in Region I vary between \$2.61 per hour for a person under 18 years to \$3.72 per hour for a butcher.

Effective January 1, 1977, **Saskatchewan** raised its minimum wage rate to \$3.00 per hour. Reporting pay was set at a minimum \$9.00 and rest periods are to be considered as time worked. 

comment

Participative management is a grassroots process

Industrial democracy means more than having worker representatives on boards of directors. It is a system of making better use of employees' skills by giving them a say in how their work environments are to be designed. This kind of participation or industrial democracy is a grassroots operation.

How can it be achieved in Canada? The degree of participation will vary, depending on organizational and external restraints, past relationships within organizations, and the areas in which employees are to be involved.

The grassroots approach presupposes that legislative solutions will not be adopted. It also assumes that the focus would be to develop, at the local level, open and frank relationships between management, unions, and employees. This would lead to more and better information, increased involvement, and more efficient and productive organization.

It seems to me that employees who are looking for job enrichment, improvement of the quality of work life, and participation at the shop floor level, would find employee participation at the board level to be irrelevant. John Garnett, director of the Industrial Society in the United Kingdom, stated at a recent Toronto seminar: "Workers want to participate in the making of decisions that affect them, but they are not really concerned about having employee-directors

representing them on the boards of their organizations." Moreover, our decentralized union structures and the roles of our unions inhibit enthusiasm for the confusion of roles that such participation would entail.

The establishment of West German-type works councils is not necessary in Canada, with our decentralized system where there is local union certification and local responsibility for collective agreement administration. To superimpose the works council model at a plant where a union is certified would be a dangerous venture.

Everyone seems to be saying that our labour relations system is in a mess and that our deplorable strike record — which is only exceeded in the Western World by Italy's — proves it. The conclusion is that the adversary system is not working and has to be replaced by something new. The proposed remedies are often plucked out of thin air and little thought is given to how they would work in our system, a system that has slowly evolved over the years in response to Canadian needs.

A lot can be done to improve the present system, and we can get better results if we really want to. For example, let me cite the scheme developed at Labatts Breweries Ltd. by Tom Crossman, his associates and their unions, in what they term the "single team" approach. This approach concentrates on problem-solving in negotiations at the expense of both sides. The win/lose situation

is thereby transformed into a win/win process. (Those interested in an overview of this approach should read the article entitled "Single Team Bargaining" published in *The Labour Gazette*, May 1976.)

What can be done to improve negotiations in the public service? Labour Minister Munro has issued a paper outlining a number of initiatives that the federal government proposes to take in the industrial relations field to improve matters in both the private and public sectors. Among other things, he proposes the establishment of a collective bargaining data centre, which would provide information on the state of the economy and current bargaining issues. It is hoped that this would provide the parties with dependable data. In my experience, we have always had lots of good data. The problems stem from what both sides at the bargaining table have done with that data.

In a recent paper, Frank C. Burnet, vice-president of Employee Relations at INCO, made the sensible suggestion that a useful change in public sector bargaining could result from an approach along the following lines: "The need is to replace the strike right with some kind of an arbitration or administered wage system that would be based on clear-cut, agreed standards and that would assure that the earnings and conditions in the public service relate equitably and reasonably to the private sector."

It is not generally recognized that employees do participate in a

number of areas, either through collective bargaining or plant committees or councils. In addition to "wages and working conditions," collective bargaining may cover work methods and organization, technological change, health and safety, employee benefits (including pensions), and career development via the seniority clause.

While the list is not exhaustive, it does indicate that the present system provides for a great deal of joint determination. Not only does the general public not perceive this, but employees themselves

are often not aware of its extent. And if they are, many of them are not satisfied with it. This is probably most true of the younger, better-educated employees. They are the post-depression, post-war generation and will not blindly follow methods, procedures and orders that do not appear to make sense. They not only want to know the "why" of things but also want to participate directly in many of the decisions that affect their work and working environment.

As managers, we have often failed to discuss with them why certain approaches have been taken. They

may feel their union representatives have not responded to their real needs. A feeling of alienation develops and they feel they are being ignored as employees and as union members. Strikes, illegal work stoppages, failure to ratify memoranda of agreement, lateness and absenteeism, are symptoms of employee disenchantment and a reaction to the denial of participation.

W.G. Donnelly

Vice-president, personnel and industrial relations, Alcan Canada Products, Toronto

Profit-sharing and industrial democracy —the Supreme Aluminum experiment

Is industrial democracy possible in Canada? Of course it's possible, if enough of us want it. I, for one, am all for it. I think it's part of the social change that is taking place around the world. But, industrial democracy alone, is only part of the answer. Unless we also consider "economic democracy", industrial democracy might lead us down the road to a state-controlled society with all its weaknesses.

Industrial democracy would help to make the workplace more interesting by encouraging worker involvement; economic democracy would give the worker an incentive to do better because he shares in the success of the enterprise.

About 28 years ago, we at Supreme Aluminum Industries started sharing our successes with our employees, and we firmly believe it was one of the soundest business decisions we ever made. We are primarily manufacturers of consumer products such as metal cookware, aluminum ladders, and giftware. We are medium-sized and employ about 450 people in seven manufacturing plants. When we

began sharing, back in 1948, we were a poor "number four" in the industry. Today, we are a good "number one" because our profits are the highest in the industry. We also believe that we have the highest productivity.

The basic philosophy behind participation and sharing in a business is that people are important. It means keeping people at the centre of the system. Probably the most important aspect of a good profit-sharing program is keeping the employees posted during the year on how they are doing, and how the company is doing.

Like all companies, we set our sales goals and profit objectives every year. We then take 30 per cent of our pre-tax profit objective and set it aside for profit-sharing. We divide this figure by the number of people we estimate will be in the profit-sharing plan and come up with a profit-sharing goal per person. This goal is printed on hundreds of posters and displayed in every conceivable spot in the plants, warehouses and offices. At

our company, everyone, from the president to the punch press operator, shares alike.

Doesn't it make sense that we will have a better chance of reaching our profit goal if everyone is working towards it? Sometimes, we miss our profit target. But this brings home to our people the fact that business is a risk-reward venture and planned-for profits do not always materialize.

We also encourage our employees to use their own savings to become company shareholders. After three years of service, an employee can buy shares up to the value of 50 per cent of his annual salary. However, since he most likely does not have that kind of money available, the company agrees to back a bank loan for the full amount and he repays it over five years on an interest-free basis. The employee, however, becomes the owner of the shares immediately and while they are held in trust he receives full dividends. More than half of our employees are now shareholders.

The employees also have an active organization called S.A.F.E.R. (Supreme Association for Effective

Results). There are 18 members on the S.A.F.E.R. governing board — 12 elected from the non-supervisory ranks and six elected from the supervisory ranks (two foremen, two from middle management, and two from senior management). The non-supervisory employees can out-vote management on any issue. The governing body is responsible for all matters directly concerning people. This includes such things as hours of work, overtime pay, annual vacations, fringe benefits, cost-of-living payments, job classifications, salary schedules (except for supervisory positions), annual increases, working conditions and grievances. Management maintains responsibility for establishing salaries for supervisory personnel; all hiring, and (subject to grievance) all dismissal of employees; establishment of sales targets, costing standards, and profit objects; new product development, and all financial requirements and planning for growth.

Naturally, there are a lot of grey areas where responsibilities overlap between S.A.F.E.R. and management. But this is a positive thing because it requires explanations of the different positions presented. Once the governing body realizes that there is no higher authority to overrule their decisions all threats and bluffing disappear and each member, as a responsible employee, comes to his own decision.

We are satisfied that when all employees, both supervisory and non-supervisory, are working together towards common company objectives the chances are much greater that those objectives will be achieved.

Sheldon H. Lush

*Chairman and chief executive officer,
Supreme Aluminum Industries Ltd.,
Scarborough, Ont.*

Books

Clockwork:

Life in and outside an American Factory

by **Richard Balzer**, Doubleday & Company, Inc., Garden City, New York, 1976. 333pp.

The click of the time clock and the ever-present sound of bells calling people to work, to break, or to lunch, echo through Balzer's book, reminding one of the depressingly rigid structure of life in a factory. But *Clockwork*, in the author's own words, "...is a testimony to the human spirit, to the capacity of people to transform and alter an environment in which they exist." It's as much a book about people as about work, but that's not surprising, considering most of us spend more than half our waking lives at work.

This is a first-hand account of the five months the author spent as a bench worker in Western Electric's plant at North Andover, Massachusetts. Its aim is to show the value of the contribution made by America's 28 million factory workers, in spite of the low social status that is often attached to their jobs. Balzer hopes this will change attitudes, leading managers to recognize the importance of factory workers by making their work and the atmosphere on the shop floor more democratic and less impersonal. To borrow the motto of *The Labour Gazette*, the book "...is devoted to a better work environment."

The author shows that his fellow workers' friendship changed a routine job into a rewarding experience. Half the chapters in the book are about the lives and

families of individual workers. Some of the remaining ones concentrate on basic work issues like the company's system of quality control, its bonus system, rules and regulations, fringe benefits, and union activity. Two are devoted to the affirmative action program for minority groups, and equal opportunities for women. Others discuss social events, and the prospect of retirement.

Clockwork originated when Balzer, a graduate of Cornell University and Yale Law School, received a two-year grant from the Institute of Current World Affairs to study the impact of social and economic change on "lower-middle-class Americans." He decided to get a factory job as a way of beginning his research. It took several months before he was able to find a company willing to let him carry out his project with the full knowledge of co-workers, and to allow him to photograph in the plant. The Institute requested monthly newsletters about his experiences, and these have served as a foundation for the chapters in the book.

Balzer doesn't use academic theories to argue for improved conditions for factory workers. Instead, he simply shares the thoughts and feelings of the people he worked with, as well as his own experiences and perceptions. In their own words, his fellow workers talk about what they expect from their jobs, how they would like to be treated by their superiors, and how they think the work situation could be improved.

The portraits of people at work are consistently sympathetic. The

book tells us that while factory life can be discouraging, people are resourceful in improving their environment through mutual support. "I looked forward to going to work most mornings, not because of the work but because I had friends at work."

Everyone agrees that money is the main reason for working, and many hold down two jobs at a time. A few of the people are bitter and suspicious about the way the company has treated them, but are tied to it because of family obligations, pensions, and so on. "Don't work too hard kid, they aren't going to pay you for it. Just pace yourself. Those bastards don't care about us."

Others, while generally happy with their jobs and the company, still harbour long-standing grievances about things like unpaid sick days or low bonuses: "You know, in the thirteen years I've worked here, I've never understood it — every time they pat you on the back they kick you in the teeth. They just make you feel there's no reason to work hard, there's no reason why you should care."

The sense that many shop people have of feeling unimportant is increased by a double standard for them and the office people: "It's the hypocrisy that gets to you... They try to sell you this crap about how you're so important, and then you find it's only the people in the shop who have to punch in and punch out...I have to sneak into the john for a smoke, and this young girl who's been here less than six months smokes in the office right across the aisle."

Balzer says that, contrary to much that has been written about the lack of pride shown by factory

workers in their work, they do care about what they produce. He was surprised to discover how many people wanted to do a good job: "Sure, people bitched, told me they hated their work, told me they didn't care, but I saw that they did care. No matter how small the job they were asked to do, they tried to do it well."

The book's conclusion isn't singularly optimistic about future recognition of workers' interests.

Balzer promised to share what he had learned with Western Electric's local management in the hopes that discussion would lead to changes in the plant. At the time of writing, only one of his recommendations (removing individuals' quality control charts from public view) had been implemented. But the company did begin a "motivational enrichment trial" in one part of the shop. This consisted of allowing employees to bring in radios, plants and fish tanks prohibited elsewhere in the shop. Although the experiment was largely successful, Balzer says it is not necessarily an indication that there will be more basic, long-term changes at the company.

Western Electric's Hawthorne plant was the site of important experiments in the 1920s which revealed that regardless of how their environment was changed, workers produced more when they were made to feel important. Yet much of what was learned half a century ago has been ignored or forgotten. Balzer believes that workers must participate in the decisions which affect them, and that permanent changes will not happen until attitudes about factory work and the people who do it change.

In a sad postscript to the last chapter, we learn that 11 members of seven families interviewed in the book were later laid off. By May 1975, 1,500 of 6,700 blue-collar workers at Western Electric suffered a similar fate.

Clockwork is an interesting, highly readable portrait of the people in an American factory. It's simply and concisely written, honest and never patronizing. If anything, Balzer is guilty of showing only the better side of the men and women in the shop, in his effort to win respect for them. One might even be tempted to call his profiles "heart-warming".

It would have been interesting to hear more about management's reaction to Balzer's report — not only to balance the argument, but also to discover the personal attitudes of individuals on Mahogany Row, as the workers call it. Perhaps the author feels they've already had more than equal time.

This book, based on one man's brief experience in one factory, can't be considered a major breakthrough in the field of industrial relations. It isn't sufficiently analytical, and in many ways it's more like a novel, or a series of feature stories, than a serious report. This doesn't make its contribution less valuable. In fact it might be considered a welcome addition to more empirical studies. *Clockwork* brings out the intangible, often ignored, human aspects of workers' problems.

—Mary O'Rourke

Mary O'Rourke is an information officer with the Department of Consumer and Corporate Affairs in Ottawa.

Research Notes

Absenteeism

"Absence and the individual: a six-year study in one organization," by Hilde Behrend and Stuart Pocock. *International Labour Review*, November-December 1976.

The authors describe how management can analyze the attendance and absence patterns in its firm and how it can derive criteria from this evidence for dividing its employees into groups with low, fairly low, fairly high, and comparatively high absence. The approach opens up possibilities for remedial action through better medical services, work restructuring, job reform and improvements in the quality of human relationships in the workshop.

Collective agreement provisions

Cost-of-living Provisions in Ontario Collective Bargaining Agreements. Research Branch, Ontario Ministry of Labour, January 1977.

Cost-of-living clauses providing for automatic adjustments of wage rates with changes in the consumer price index were contained in 33 per cent of 890 Ontario agreements studied in October 1976. The clauses were most common in manufacturing industries and in two- and three-year agreements. Most clauses provided for review every three months and for cents-per-hour increases for each specified point change in the national consumer price index. More than one out of four clauses set maximum limits or "caps" on the amount of the adjustment.

Paid Absence Provisions in Ontario Collective Bargaining

Agreements. Research Branch, Ontario Ministry of Labour, February 1977.

Many of 891 Ontario collective agreements analyzed in June 1976 provided for full or partial pay to union representatives for time spent away from their regular work to attend to in-plant responsibilities on behalf of the union. The most common provision for pay for time spent on union business was for handling grievances, found in 76 per cent of the agreements. Most agreements also provided for paid leave of absence to serve on juries and on the occasion of a death in the family.

Flexitime

Les répercussions de L'Horaire Variable sur L'Individu, par René Boulard, Louise H. Côté, Serge Guimond, et Bernard Turgeon. Québec: Ministère du Travail et de la Main-d'oeuvre. January 1977.

The main objective of this study, which was based on interviews with employees of three companies, was to determine whether flexible hours lead to changes in employee behaviour. Three aspects were examined: use of the formula; effects on work life; and effects on off-the-job activity. The study concludes that there is no important modification of employee behaviour, either on or off the job, corroborating the findings of European studies.

Industrial democracy

"Creating a New World of Work," by Irving Bluestone. *International Labour Review*, January-February 1977.

Conceding that workers' participation schemes often arouse scepticism among employers and workers alike, the author believes that this resistance will diminish with time and he cites two major programs launched by his own union (the U.A.W.) which, if successful, could enhance the dignity of the worker on the job, involve him significantly in the decision-making process, increase opportunities for job satisfaction, and generally initiate a movement toward greater democratization of the workplace.

Wages

Flexibilité des salaires et rigidité du chômage, par Jean-Michel Cousineau et Robert Lacroix. Economic Council of Canada, Discussion Paper No. 68.

The authors' comparison of wages in the public sector and private industry leads them to conclude that government wage policies appear to contribute to continued inflation and persistently high unemployment rates.

Pertes de salaire réel et ententes salariales dans les principales conventions collectives, par Jean-Michel Cousineau et Robert Lacroix. Economic Council of Canada, Discussion Paper No. 70.

Ever since the inflation rate soared, it has been widely held that the main explanation for the sharp increase in wages was that workers were caught unprepared for inflation and were trying to catch up to rising prices. The authors calculate, however, that between 1973 and 1975, the "catch-up" element did not contribute more than one-tenth of

one percentage point to the wage increases in the private sector. They conclude, therefore, that it is not past wage losses that influence the growth of wages but rather the anticipated increases in price levels.

L'indexation des salaires: un aperçu de son ampleur, de ses causes, et de ses conséquences, par Jean-Michel Cousineau et Robert Lacroix. Economic Council of Canada, Discussion Paper No. 74.

Although some 40 per cent of unionized workers are now covered by wage indexation clauses, wage indexation continues to be poorly understood. After analyzing the nature and origins of such clauses and their impact on wage increases, the authors investigate

the use of voluntary indexation policy as a means of fighting inflation.

"Wage Interdependence in Unionized Labor Markets," by Robert J. Flanagan. *Brookings Papers on Economic Activity*, 1976 No. 3.

Non-union wages are more sensitive to labour market pressures than are negotiated wages. However, this is mainly a bi-product of multi-year collective agreements. The relationship between current union wage changes and labour market pressures is both economically and statistically significant.

Women

The Earnings Gap Between

Women and Men. U.S. Department of Labor, 1976.

Women who worked at year-round full-time jobs in the U.S. in 1974 earned only 57 cents for every dollar earned by men. This differential was wider than it was 19 years earlier. Two factors have contributed to the widening gap. First, there is still a predominance of women in lower-status occupations of a traditional nature which provide limited opportunity for advancement. Second, the dynamic rise in women's labour force participation has resulted in a larger proportion of women who are in or near the entry level.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Arbitration, industrial

The future of labor arbitration in America, by Benjamin Aaron and others. New York, American Arbitration Association, 1976. 304p.

Sanderson, John P. *Labour arbitrations and all that*; a handbook on the preparation and presentation of labour arbitrations.

Toronto, Richard De Boo Ltd., 1976. 137p.

Blue collar workers

Form, William Humbert. *Blue-collar stratification: autoworkers in four countries*. Princeton, N.J., Princeton University Press, 1976. 335p.

A study of the relationship between the degree of industrialization and behaviour of workers in various social systems, such as the work group, union, political party and community. To examine the question, the author attempts a comparison of automobile workers in four countries (India, Argentina, Italy and the U.S.) that vary in the extent of their industrial development. He then

compares samples of skilled, semi-skilled and unskilled workers to trace the relationship between worker exposure to specific technologies and class stratification.

Education — Labour aspects

Freeman, Richard Barry. *The over-educated American*. New York, Academic Press, 1976. 218p.

Employees' representation in management

Employee participation and company reform: a report on the participating members and young leaders meetings, edited by **Fabio Basagni and François Sauzey**, with a commentary by Benjamin C. Roberts. Paris, Atlantic Institute for International Affairs, 1976. 77p.

Six papers analyzing the experience of workers' participation in management in the countries of the European Economic Community, and the legislative proposals being made to give employees a larger share in decisions affecting their work life.

Hours of labour

U.S. Congress. Senate. Committee on Labor and Public Welfare. Subcommittee on Employment, Poverty, and Migratory Labor. *Changing patterns of work in America, 1976.* Hearings...Ninety-fourth Congress, second session on examination of alternative working hours and arrangements. Washington, G.P.O., 1976. 497p.

Industrial disputes

Carter, Donald D. *The expansion of labour board remedies: a new approach to industrial conflict.* Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 23p.

This study deals with the expansion of the remedial powers of the provincial labour boards in the late 1960s which gave them remedial jurisdiction over all aspects of the collective bargaining relationship, and not, as in the past, just the organizing and recognition stages. The study outlines the legislative changes, discusses the constitutionality of the new remedial authority, and analyses the implications of the growing role of labour in resolving industrial conflict.

Industrial relations — Metal workers

Derber, Milton. *The metalworking industry.* Geneva, International Institute for Labour Studies, 1976. 113p. (International Institute for Labour Studies. Research series no. 1)

Job enrichment

Goldmann, Robert B. *A work experiment; six Americans in a Swedish plant.* New York, Ford Foundation, 1976. 49p.

A report on a four week exchange visit by six American automobile workers to a Swedish automobile assembly plant where part of the engine assembly process has been reorganized to provide more variety in the tasks each worker performs. The workers were asked to assess the effects of group assembly production on job satisfaction. The report concludes that the study of work reform in other countries can broaden knowledge, but does not supply a blueprint for replication.

Perspectives on job enrichment and productivity; selected readings on the theory, definition, and need, as well as on the practice and applications of job enrichment, edited and compiled by **Waino W. Suojanen and others.** Atlanta, Pub. Services Division, School of Business Administration, Georgia State University, 1975. 279p.

Labour laws and legislation

O'Higgins, Paul. *Workers' rights.* London, Arrow Books in association with the Society of Industrial Tutors, 1976. 96p.

This British text, directed to the needs of trade unionists, summarizes the current legislation dealing with the contract of employment, collective bargaining, basic rights and duties at work, discipline, unfair dismissal, redundancy, and employee health and safety rights.

Maternity benefits

Canada. Advisory Council on the Status of Women. *Maternity leave*

and benefits: a study of federal laws and recent amendments concerning job security for pregnant women and their entitlement to maternity benefits, prepared by **Elsie Robindaine-Saumure.** Ottawa, 1976. 47p. Titre en français: *Congés et prestations de maternité: étude des lois fédérales et de leurs modifications récentes pour ce qui concerne la protection de l'emploi des femmes enceintes et leur accès à des prestations de maternité.*

Wage policies — Government

Bartel, Henry. *Inflation, incomes policies, and the role of the federal government in Canada,* by Henry Bartel and Peter Wragge. Waterloo, Ont., Department of Economics, Wilfrid Laurier University, 1976. 33p. (Wilfrid Laurier University. Department of Economics. Research report 7617)

Courchene, Thomas Joseph. *Monetarism and controls: the inflation fighters.* Montreal, C.D. Howe Research Institute, 1976. 113p.

Wages and hours

Conference Board. *Top executive compensation, 1976 edition,* by Harland Fox. New York, 1976. 65p.

Women — Employment

Bureau international du Travail. *Les travailleuses et la société: perspectives internationales.* Préface de Helvi Sipilä. Genève, Bureau internationales du Travail, 1976. 234p.

Women and management: an expanding role, edited by **Donald O. Jewell.** Atlanta, Ga., Georgia State University, School of Business Administration, Publishing Services Division, 1977. 413p.

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, April

The all-items Consumer Price Index for Canada (1971 = 100) advanced 0.6 per cent to 157.9 per cent in April from 157.0 per cent in March, and was 7.6 per cent higher than a year ago. Slightly more than two fifths of this increase was due to a 1.0 per cent rise in the food index, mainly because of higher prices for fresh produce, especially vegetables, fresh milk, butter, sugar and coffee. Lower prices for beef, pork and poultry partially offset these increases. In April, the index for food consumed at home rose 1.3 per cent and has now increased 6.2 per cent in the five-month period between November 1976 and April 1977. Higher housing charges were responsible for an additional one fifth while clothing prices had a smaller impact on the CPI.

Increased shelter charges for both owned and rented accommodation, as well as higher electricity and water rates in some municipalities, were largely responsible for the 0.5 per cent rise in the index for all-items excluding food. Other important contributing factors included higher prices for children's wear in the province of Quebec and increased prices for automobile repairs, dental care, tobacco and alcohol and hotel/motel accommodation.

In terms of goods and services, the price level of goods, including food, increased by 0.7 per cent in April while that for services rose by 0.5 per cent. Between April 1976 and April 1977, the price level

of services has increased 9.6 per cent and that for goods 6.5 per cent. Seasonally adjusted, the all-items CPI advanced 0.8 per cent between March and April. This included a 1.3 per cent rise in the food index and a 0.5 per cent increase in the index for all-items excluding food.

City consumer, April

Consumer price indexes rose in all regional cities in April, with increases ranging from 0.3 per cent in Montreal to 1.5 per cent in Thunder Bay. Higher food prices — especially for fresh produce, coffee, fresh milk, butter and bread — were major contributors to these increases. Increased shelter charges, higher prices for children's clothing (in the province of Quebec), automobile repairs, dental care fees and tobacco and alcohol products, also contributed to the rise in the price indexes. The percentage increases listed in all 14 regional cities in April were: 0.3 in Montreal; 0.5 in St. John's and Ottawa; 0.7 in Quebec, Toronto and Edmonton; 0.8 in Saint John, Winnipeg and Vancouver; 0.9 in Regina; 1.0 in Saskatoon; 1.2 in Calgary; 1.4 in Halifax; 1.5 in Thunder Bay. The percentage increases from April 1976 to April 1977 were: 6.5 in Vancouver; 7.4 in Toronto; 7.5 in St. John's and Saint John; 7.8 in Thunder Bay; 8.0 in Halifax; 8.1 in Montreal; 8.3 in Winnipeg; 8.4 in Quebec and Ottawa; 8.6 in Saskatoon; 8.8 in Calgary; 9.3 in Edmonton; 10.0 in Regina.

Employment, April

The seasonally adjusted employment level in April was 9,663,000, a decrease of 9,000 from March, Statistics Canada reported. The level decreased by 6,000 for men 15-24 years old and increased by 7,000 for men 25 years of age and over. It declined by 3,000 for women aged 15-24 and by 7,000 for women 25 years of age and over. By province, the seasonally adjusted employment level increased in Alberta by 16,000; and in Manitoba by 3,000. It decreased in Quebec by 9,000; in British Columbia by 4,000; and in Newfoundland by 3,000. In the remaining provinces there was little or no change.

Unemployment, April

The seasonally adjusted unemployment rate for April (870,000) increased by 0.2 per cent to 8.3 per cent. It declined by 0.1 per cent to 14.8 per cent for men aged 15 to 24 and by 0.1 per cent to 14.0 per cent for women in the same age group. For men 25 years of age and over it increased by 0.3 per cent to 5.2 per cent, and for women in the same age group it advanced by 0.1 per cent to 7.4 per cent.

By province, the seasonally adjusted unemployment rate increased by 0.7 per cent to 16.8 per cent in Newfoundland; by 0.3 per cent to 7.4 per cent in Ontario; by 1.0 per cent to 6.7 per cent in Manitoba; by 0.9 per cent to 5.5 per cent in Saskatchewan; and by 0.3 per cent to 9.1 per cent in British Columbia. The rate declined by 0.2 per cent to 9.7 per cent in Prince Edward Island; by 0.5 per cent to 11.2 per cent in Nova Scotia; by 1.3 per cent to 13.0 per cent in New Brunswick; by 0.2 per cent to 4.3 per cent in Alberta.

Earnings, March

Average weekly earnings in Canadian industry were \$243.44 in March, compared with \$221.76 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$274.75; Alberta, \$254.89; Ontario,

\$243.12; Quebec, \$237.82; Newfoundland, \$235.86; Saskatchewan, \$230.27; New Brunswick, \$222.56; Manitoba, \$222.39; Nova Scotia, \$206.58; Prince Edward Island, \$187.60.

Average weekly earnings in March,

by industry division, were: construction, \$355.74; mining \$339.60; forestry, \$327.22; transportation, communication and other utilities, \$282.74; manufacturing, \$261.15; finance, insurance and real estate, \$225.36; service, \$167.83.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.00 effective January 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.80	January 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*				
		(unadjusted figures, in thousands)		
Week ended March 19, 1977		10,294	+ 0.7	+ 2.7
Employed.....	March 1977	9,350	+ 0.6	+ 0.9
Agriculture.....	" "	431	+ 0.7	+ 4.1
Non-agriculture.....	" "	8,940	+ 0.6	+ 1.0
Paid workers.....	" "	9,279	+ 0.3	+ 1.0
At work 35 hours or more.....	" "	6,841	+ 0.4	+ 1.9
At work less than 35 hours.....	" "	1,961	+ 2.5	+ 0.1
Employed but not at work.....	" "	557	+ 10.0	+ 5.1
(change in thousands)				
Unemployed.....	March 1977	944	+ 12	+ 185
Newfoundland.....	" "	33	+ 3	+ 8
Nova Scotia.....	" "	43	+ 1	+ 13
Prince Edward Island.....	" "	6	—	+ 6
New Brunswick.....	" "	41	+ 4	+ 10
Quebec.....	" "	299	+ 4	+ 78
Ontario.....	" "	312	+ 4	+ 49
Manitoba.....	" "	32	+ 1	+ 7
Saskatchewan.....	" "	26	+ 5	+ 7
Alberta.....	" "	47	+ 7	+ 8
British Columbia.....	" "	106	+ 3	+ 4
Without work, seeking work and available for work.....	" "	849	+ 12	+ 178
percentage change				
INDUSTRIAL EMPLOYMENT (1961 = 100) ^r	December 1976	142.8	- 2.1	+ 1.8
Manufacturing employment (1961 = 100) ^r	" "	124.6	- 2.3	- 0.9
IMMIGRATION.....	Calendar year 1976	149,429	—	- 20
Destined to the labour force.....	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	February 1977	106	+ 11.5	- 32.1
No. of workers involved.....	" "	18,605	- 30.7	- 87.7
Duration in man days.....	" "	199,440	- 1.2	- 65.3
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	December 1976	233.99	- 1.1	+ 11.2
Average hourly earnings (mfg.) ^r	" "	6.02	- 0.7	- 12.7
Average weekly hours paid (mfg.) ^r	" "	38.2	- 2.4	- 1.3
Consumer price index (1971 = 100).....	March 1977	157.0	+ 1.0	+ 7.4
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^r	December 1976	150.2	- 2.8	- 7.5
Total labour income (millions of dollars) ‡.....	February 1977	9,024.3	+ 0.5	+ 11.8
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100).....	February 1977	122.8	+ 0.1	+ 4.0
Manufacturing.....	" "	120.8	- 0.2	+ 2.1
Durables.....	" "	119.8	+ 0.2	+ 4.2
Non-durables.....	" "	121.8	- 0.5	+ 0.2
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	February 1977	8,994	—	- 23
Completions.....	" "	13,105	—	+ 1
Under construction.....	" "	163,052	—	+ 13

* Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

† Advance data

‡ Preliminary

* * Centres of 10,000 population or more

^r Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, FEBRUARY 1976

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971.....	547	569	239,631	2,866,590	0.16
1972.....	556	598	706,474	7,753,530	0.43
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976*.....	913	1,030	1,582,631	10,624,130	0.50
1976*					
February.....	53	156	150,369	573,770	0.35
March.....	83	157	172,608	432,270	0.23
April.....	75	153	303,957	669,470	0.38
May.....	96	168	265,912	653,010	0.38
June.....	125	233	187,524	1,131,820	0.59
July.....	69	183	78,020	1,271,320	0.68
August.....	78	193	89,791	942,950	0.50
September.....	54	175	136,027	1,738,990	0.97
October.....	49	155	904,953	1,646,500	0.92
November.....	39	129	51,260	491,380	0.26
December.....	37	120	45,352	258,990	0.14
1977*					
January.....	40	95	26,820	201,700	0.12
February.....	39	106	18,605	199,440	0.12
January-February: 1977.....		134		401,140	0.12
January-February: 1976.....		207		1,387,430	0.41

*Preliminary.

WORK STOPPAGES BY INDUSTRY, FEBRUARY 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to Feb.)
		Number	Workers involved	
Agriculture.....	0	0	0	0
Forestry.....	1	1	231	1,160
Fishing.....	1	1	350	20,300
Mines.....	2	6	3,754	36,730
Manufacturing.....	15	49	6,394	94,560
Construction.....	7	10	1,838	5,890
Transp. & Utilities.....	3	9	532	6,480
Trade.....	2	12	420	6,410
Finance.....	0	1	50	1,000
Service.....	5	13	4,498	43,740
Public Admin.....	3	4	538	3,120
Various industries ..	0	0	0	0
TOTAL.....	39	106	18,605	199,440

WORK STOPPAGES BY JURISDICTION, FEBRUARY 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to Feb.)
		Number	Workers involved	
Nfld.....	8	8	3,587	39,150
P.E.I.....	0	0	0	0
N.S.....	2	2	28	210
N.B.....	1	1	20	10
Québec.....	11	43	8,605	81,720
Ontario.....	13	34	4,389	56,290
Manitoba.....	1	3	233	3,240
Saskatchewan.....	1	1	330	140
Alberta.....	0	3	133	2,690
B.C.....	1	6	535	3,750
Yukon & N.W.T.....	0	0	0	0
Total, provinces.....	38	101	17,860	187,110
Federal Public Service(1).....	0	0	0	0
Federal Industries(2).....	1	5	745	12,330
Federal total.....	1	5	745	12,330
TOTAL.....	39	106	18,605	199,440

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1974-75 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1975.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

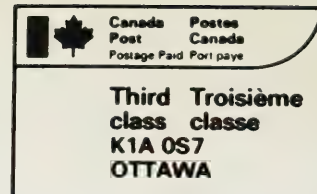
Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 50,000 selected holdings of Technical Library. Accident Prevention Division, 1976. Free.

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the labour gazette

july 1977

Making work more human:
industrial society's new task



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**Labour
Canada**

**Travail
Canada**

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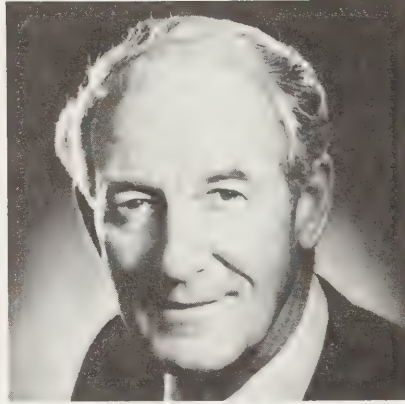
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PEOPLE

New CMA head

J. Hugh Stevens, newly-elected president of the Canadian Manufacturers' Association, sees restoring the ability to compete as the top priority for Canadian manufacturers. Stevens, chairman of the board, president and chief executive officer of Canada Wire and Cable Company, was elected to succeed retiring president, Rod Bilodeau, at the CMA's annual general meeting, in Montreal, June 5-6.

In his acceptance speech, Stevens noted four areas in which the CMA should devote much of its efforts in the months ahead: working toward mechanisms and policies "to ensure that Canada avoids a new surge of inflation when controls are removed;" restoring a "sense of reality" about what the economy can really produce; overcoming the "lingering illusion" that Canadian society can extract from the economy more than it



contributes; and developing new guidelines to determine income in the public sector.

Stevens was born in India and holds a master's degree in engineering physics from Cambridge University. He joined Canada Wire and Cable in 1948 and was appointed vice-president in 1959, president in 1966, chief executive officer in 1970 and chairman of the board in 1974. He holds directorates in several Canadian companies and in the affiliated companies of Canada Wire, including those in Latin America.

THE ECONOMY

Gloomy forecast

Projections prepared by the Ontario Economic Council suggest an unemployment rate above 7 per cent in the province throughout

the 1980s and an annual inflation rate above 3.9 per cent. The projections appear in background papers prepared for the Council's April 25 Outlook and Issues conference, in Toronto. On average, the population is expected to grow older, and the Council speculates that this will mean a more conservative society with increased opposition to public-sector growth.

EARNINGS

First-quarter increases

Major collectively bargained settlements produced average annual base-rate increases of 8.6 per cent in the first quarter of 1977, up slightly from 8.2 per cent in the fourth quarter of 1976. The federal labour department figures are based on an analysis of agreements covering 500 or more workers in both federal and provincial jurisdictions.

The average increase in the 77 one-year agreements reached in the first quarter of 1977 was 8.6 per cent; in the 30 two-year agreements it was 9.8 per cent in the first year and 8.3 per cent in the second; and in the eight three-year agreements the successive annual increases were 7.2 per cent, 5.1 per cent and 4.4 per cent. Cost of living allowances were provided for in 29 of the agreements having an average annual base-rate increase of 8.0 per cent excluding the effect of the COLA clause.

During the 12-month period ending with the first quarter of 1977, the average annual increase was 9.5 per cent, compared with 16.1 per cent in the previous 12-month period.

The department's statistics take into account the effects of rulings by the Anti-Inflation Board and subsequent ratification by the bargaining parties.

Public vs. private sector

Contrary to much publicly held opinion, salary increases in the federal public service were lower than in the private sector during the 1968-76 period. However, increases in the municipal and

provincial sectors were higher than in the private sector. Labour Canada statistics for base rates of bargaining units of 500 workers or more show an increase of 123 per cent for public and private sectors combined. The private sector increase was 120 per cent, compared with public sector increases of 132 per cent for municipal employees, 129 per cent for provincial employees and 113 per cent for federal public servants.

EMPLOYMENT

Education offers some protection

An estimated 197,700 young people will cease full-time study in Ontario and enter the labour market during 1977, according to a Statistics Canada study. That annual number is expected to increase to nearly 214,000 by 1981 before it starts to decline, according to the report entitled *Future Trends in Enrolment and Manpower Supply in Ontario*. While the flood of graduates is expected to aggravate youth unemployment, the study indicates that education still provides some protection in the labour market. Between 1972 and 1975, for the 14-24 age group as a whole unemployment was 9.3 per cent, but it was 12.4 per cent for those who had only completed elementary school, 6.4 per cent for high school graduates and 5.3 per cent for those who had completed post-secondary programs.

Jobs for professionals decrease

Job openings for accountants, engineers and other professionals decreased by 6.25 per cent during

WORK STOPPAGES

First quarter

During the first three months of 1977 direct time lost from work stoppages and lockouts amounted to 599,380 man-days. In relation to total estimated working time of non-agricultural workers, this represents approximately 11 man-days per 10,000 man-days worked. The comparable figure for the same period last year was 1,819,700 man-days.

the first quarter of 1977, after a 3-per-cent increase in the last quarter of 1976, according to the Technical Service Council. The personnel consulting and placement service conducts quarterly surveys of job vacancies in 1,500 industries, mines, construction firms and consultants, but excluding governments and institutions. Vacancies are expected to continue at about the same level, with a slight increase toward the end of the year, the council says. It also finds employment opportunities are better in remote areas because many candidates are unwilling to move geographically.

The Council notes good employment prospects in some specializations including junior and intermediate mechanical sales engineers, experienced petroleum and plant engineers, accountants, computer programmers and systems analysts.

Among new university graduates, job prospects appear best for commerce, business and engineering graduates and poor for general science and general arts graduates and for "most kinds of PhDs," the council adds.

COLLECTIVE BARGAINING

Profs. to set up strike fund

Leaders of 20,000 Canadian university teachers have decided to set up a strike fund. The board of the Canadian Association of University Teachers, at a meeting in Ottawa, voted for the fund in principle, although details have yet to be approved. Teachers on individual campuses would decide whether to join the strike fund.

Job choice

The assumption that people choose occupations that are consistent with their values and personalities draws new support from a survey of 1,200 male college freshmen by John C. Smart of Virginia Polytechnic Institute. Dr. Smart found that the way students rated job characteristics was consistent with their personality type, according to the categories developed by J.L. Holland — realistic, investigative, social, enterprising, conventional and artistic. For example, conventional and enterprising students were more responsive to materialistic incentives in rating occupations, while artistic students preferred working with ideas, and social types liked working with people. Smart suggests that career counsellors would do well to advise students to choose academic programs and occupations consistent with their personality dominance.

EEC directive on dismissal

The European Economic Community has adopted a direc-

tive that establishes the principle of automatic transfer of employees' rights in the event of merger, takeover or similar transfer of employer. The directive prohibits dismissal solely on the grounds that transfer has taken place. But its effect is somewhat mitigated by a provision that dismissals may take place for "economic, technical or organization reasons entailing changes in the work force." The directive also provides for the establishment of a procedure for informing employees and consultation with them before such transfers do occur. The directive is to come into force in all the EEC states by March 1979.

Does skill pay?

A British study has found a decrease in the wage differentials between skilled and unskilled workers. It also disclosed that skilled tradesmen have less job security and status than they had two decades ago.

Manpower Services Commission and the National Economic Development Council released the results of the survey in January. It shows, for example, that the take-home wage of a skilled engineering worker, married and with two children under 11, was only 23 per cent above that of a labourer in 1975, compared with 32 per cent in 1963.

This is seen as one reason that the annual intake into apprenticeship programs has declined — from 18,600 in the mid-1960s to an expected 10,500 by the late 1970s.

A survey of 1,038 former employees of 22 firms found that 37 per cent of them left because they had been made redundant and 28 per cent because of poor prospects.

About 21 per cent were at jobs

requiring other engineering skills than the one they had learned, 20.3 per cent were unemployed, 13 per cent were in semi-skilled manufacturing jobs and 4.2 per cent were in police or security forces.

Others were working as milkmen, bus conductors, postmen, gravediggers, window cleaners and one was the manager of a bingo hall. In replies many complained about the boredom, lack of freedom and "petty regulations" of their former employment.

HEALTH AND SAFETY

Hazards of night work

A study, soon to be released by the International Labour Organization, finds night work harmful to both health and social life, and recommends that it be kept to a minimum. "*Night Work: its effects on the health and life of the worker*," was prepared by two ILO staff members, James Carpentier and Pierre Cazamian, who looked into the "physiological, psychological, medical, family and social implications" of night work.

They say night work hurts physical and mental health because human behaviour follows a 24-hour cycle and involves "an active phase" during the day and an "inactive" phase during the night. "Working at night and sleeping during the day upsets this natural rhythm," they find. "It requires a greater effort to work at night when all the bodily processes slow down.

"Sleep during the daytime does not have the same restorative properties, and research findings have indicated that, on average, night-shift workers sleep an hour-and-a-half less. Not only are the

hours of sleep fewer by day, but they are often of insufficient depth, with the result that the sleeper feels groggy when he wakes up. They are also punctuated by awakenings due to pangs of hunger.

"Night work, therefore, by obliging a worker to work during his inactive phase and sleep when he should be active, exposes him to stress in two ways and subjects him to additional fatigue — he becomes over-tired." That over-tiredness, and the difficulties in sleeping associated with it, give rise to nervous disorders: "The 'night worker's neurosis' is recognized as the type of neurosis which may lead to a nervous breakdown."

Eating patterns also are disturbed by night work: "Eating at night, when one's digestive processes are sluggish, can cause various digestive disorders." Some night workers have to take pills to stay awake at night and more pills to sleep during the daytime — "which can only make matters worse."

Night work is hardest on employees over 45 years old, most of whom "have serious difficulty in sleeping and digesting their food properly." It is also hard on women workers who try to do their housework in the morning and sleep only in the afternoon.

Night work also upsets workers' "mental balance" by disrupting leisure time activities: "The hours they have to keep bar them from a normal social life and deny them access to sports and cultural, trade union and political activities. They feel isolated socially and tend to devote their spare time to solitary pursuits or succumb to the temptation to take a second paid job."

The researchers also note that the

financial advantages of night work, because of shift premiums, “may trap the worker by rapidly becoming an indispensable part of the family budget.”

They not only call for a substantial reduction of night work but also, where it is necessary, a substantial reduction in the working hours of people on night shifts. “There appears to be no way of organizing the work that can counteract the harmful effects of night work, at least at the present time,” they conclude.

At the present time, the researchers estimate, at least one worker in 10 in the industrialized countries has to work at night. They say that is a minimum figure and does not include night workers in the public service and health services such as hospitals and police forces. They estimate that shift workers make up 25 per cent of the labour force in Canada.

WORKING TIME

Reduced emphasis on vacations?

While employees have been receiving increasing vacation time in recent years, that trend may slow down in future because of demographic and labour force factors, suggests a recent article in the periodical *IR Research Reports*.

“As a result of the rapid expansion in the labour force since the early 1960s, Canada’s labour force is a young one,” the article observes. “That has made it relatively easy for employers to grant longer vacations, pre-retirement supplements, etc., to long-service workers and relatively costly to give significant increases to recently-hired

workers. As growth in the labour force slows, however, and as the average age of the work force rises, vacations for long-service workers will become more costly. Some change in emphasis, therefore, might be expected.”

That conclusion, however, assumes that there will be no major change in either government policy on vacation entitlement or union preferences “as between income and leisure — and as between different kinds of leisure.”

Unions have shown greater interest in “increased blocks of time” than in shorter weekly working hours during the postwar period, but the article notes that this preference could change: “The Autoworkers and Steelworkers recently have indicated that their objective is a four-day, 32-hour week — and the Autoworkers are well on the way to it. If this were to become a general trade union goal, it would suggest a reduced emphasis on vacation improvements.”

The article also says governments historically have not had much of an impact on labour standards, “generally just giving official recognition to what was already prevailing practice.” But much may depend on whether they continue to interpret their role in the same way. “If they were to use a different concept of prevailing practice, or if they were to attempt to keep up with the level in the highest-standard jurisdiction, legislation could have a greater impact than it has had and could also have some indirect impact by creating pressure to restore differentials that had been narrowed by law,” it comments.

It also notes that paid vacations are the most costly employee benefit, “representing, on average,

6 per cent of payroll: That figure has shown an upward trend throughout the postwar period, reflecting the steady improvement in paid vacation provisions.” A decade ago, fewer than one in five non-office employees was in an establishment that provided a five-week maximum, while six-week vacations were almost unknown. Today, four of five employees are potentially eligible for five weeks of vacation and about 30 per cent of the workforce is employed in establishments that provide six weeks.

There has also been a reduction in the length of service required for longer vacations. “In 1967, most employees had to have 10 years of service or more before they were entitled to a three-week vacation and 20 or more years to be eligible for four weeks. Where a five-week vacation was provided, generally it came after 30 years of service. Today, most employees receive three weeks of vacation after five years’ service or less and four weeks after 13 years or less. Those eligible for five-week vacations generally receive these after 24 years’ service or less.” The article notes, however, that there are pronounced “industry and regional variations.”

Four-day week for QPF

Most of the 4,200 members of the Quebec provincial police force have begun working a modified four-day week. Under an agreement worked out with the Quebec Provincial Policemen’s Brotherhood, the policemen will work 21 nine-hour days and have 14 days off over a 35-day cycle. Since the total annual work hours remain unchanged at 2,080, the policemen had to give up some paid holidays and accept shorter annual vacations.

Here's a typical police patrolman's schedule under the new system: seven nights on, six days off, four evenings on, two days off, three days on, two days off, three evenings on, two days off, four

days on, and two days off.

Other police forces, and their unions, are studying the schedule, which is to be in effect for three years.

LABOUR RELATIONS

Conciliators wasting time?

A Queen's University study finds Ontario's conciliation system so outmoded that the government "is wasting valuable manpower when it dispatches conciliators around the province." In an analysis of government statistics for two fiscal years — 1973-74 and 1974-75 — G. Gordon Simmons, a professor of labour law at Queen's, concluded that provincial conciliation officers were able to devote only about a day or a day and a half to each dispute, while mediators were available to the parties for a week. The conciliators achieved settlements in only 38 per cent of their cases whereas mediators reached agreements in 72.7 per cent of theirs, he reported.

Simmons says mediation's better record may result, in part, from the crisis atmosphere created by an imminent strike or lockout, and also from the greater length of time mediators can devote to a dispute. But what is more important, he says, is that "the desire to achieve a settlement is lacking at the conciliation officer stage because there is no pressure or incentive to do so." He goes so far as to comment that notwithstanding anything a conciliator may do or fail to do, "the ultimate result will depend upon the parties' mutual desire to arrive at a settlement."

The study, published by Queen's

Industrial Relations Centre under the title, *The Role of Mediation and Conciliation in the Collective Bargaining Process*, does not call for the elimination of conciliation but for changes in the process. He suggests that conciliators are effective in remote areas where mediation services are not so readily available. He also says they may be useful in first and perhaps even second rounds of negotiations.

Conciliation boards were used extensively in Ontario in the 1940s and 1950s but fell into disfavour in the 1960s. Simmons offers two reasons: first, the conciliation officer stage became merely a "conduit" to get to the board so that the parties could get into a position to strike or lock out; secondly, there were lengthy delays in holding hearings, due partly to the involvement of three people on each board. Nevertheless, he argues, the boards had certain benefits. Their somewhat formal hearings required the parties to prepare briefs and thus seriously evaluate their respective positions, "which is not a necessary ingredient when negotiations are at the conciliation stage." And the formal report issued by the board usually carried significant weight with the parties, he notes.

"I do not suggest that conciliation boards become commonplace, but that they be used sparingly," Simmons recommends. "It may even be possible to use the conciliation board format but with one person acting instead of three. This would have the advantage of

eliminating delays while requiring the preparation of briefs and formality in their presentation."

AGE

Survey of the literature

A survey of 20 studies indicates that the physical demands of most jobs are well below the capacities of most normal aging workers, and that properly placed older workers function effectively and have greater stability on the job, fewer accidents and less time lost from work than younger employees.

The survey was conducted by the editorial staff of *Industrial Gerontology*, quarterly journal of the U.S. National Council on the Aging, who also found that older workers are generally more satisfied with their jobs than younger ones.

It also suggests that employers should not judge workers in terms of their chronological age, but should "examine functional ability on the job by testing what a worker could actually do."

Older workers also are "generally able to continue heavy work," but some had difficulty coping with "the time-stress which results from a combination of heavy work and continuous effort to maintain a high rate of productivity. In other words, if the pressure to produce is lowered, older workers will continue to perform well. This factor also has important implications for training programs."

The authors, Elizabeth L. Meier and Elizabeth A. Kerr, also found support in the studies for their contention that "a good many workers are able to function effectively even after the 'normal' retirement age of 65."

RETIREMENT

Gradual retirement in Sweden

A pension program that allows employees to retire gradually with little loss of earnings has gone into effect in Sweden. Workers aged 60 and over are able to reduce their work week to as little as 17 hours while receiving an income amounting to between 85 and 90 per cent of their regular pay. The income is made up of wages and pension supplements funded by a tax on employers. Workers have the option of remaining in the labour force until age 70.

The Miner's Voice, a monthly Canadian publication of the United Steelworkers of America, quotes a Swedish government spokesman as saying the extent of the scheme is largely social: "Doctors warned us that we must not chop people off suddenly from working life, and the unions were strong champions for giving people a chance to adjust."

WORK SATISFACTION

Related to family and community

An employee's satisfaction with his job, his community and his family are closely related, according to a U.S. study published in the *Australian Journal of Social Issues*. The study also found that an employee who feels good about his work is also likely to feel good about his immediate superior and his fellow workers.

"It would seem that personal growth and occupational growth

are highly correlated," concluded Peter O. Peretti, a professor of psychology at Kennedy-King College, Chicago, after his experiment with 54 employees of four organizations — a casualty insurance company, a private college and two large manufacturing concerns.

Peretti used a broad cross-section of workers as to age, sex, marital status, job status, years of formal education and length of service with the organization. He had them complete questionnaires dealing with three classes of questions — general job satisfaction, satisfaction with regard to the community in which they lived; and family-and-home satisfaction. They were asked to rate, on a four-point scale, their level of satisfaction or dissatisfaction with each of the factors listed.

Peretti found a remarkably high correlation of 0.9973 between general job satisfaction and satisfaction with family-and-home, and similarly high correlations between job satisfaction and community satisfaction (0.99), and between community satisfaction and family-and-home satisfaction (0.9958).

Other notable findings:

- "a general dissatisfaction with pay, no matter what one's earnings might be;"
- "many employees, while being very satisfied with their positions at present, are very dissatisfied with the possible future opportunities available to them."

The job-satisfaction questions concerned utilization of potential skills and abilities; pressure to meet work deadlines or quotas; work required as compared to fellow employees; how well the

immediate manager is doing his job; earnings; long-term chances of moving into a managerial position; quality of relationship with fellow workers; presence of incompetent work associates; work atmosphere (environment, machines, and so on); "your manager — whether he is more concerned with how a job looks to his supervisors than with the quality of your work."

Community-satisfaction factors included: school facilities; availability of housing; shopping facilities; cost of housing; location of community; attractiveness of community; children's recreational facilities; and "the culture in which you are now living."

Family-and-home satisfaction variables included: size of home in relation to size of family; number of close friends; closeness of family; number of friends common to all family members; marital or dating relationship; discipline in family; involvement with religion or church; personal independence (or dependence).

Deadlines dull satisfaction

Research psychologists at Stanford University have demonstrated that a deadline can make a normally enjoyable task less interesting. They set 40 college students to work at a crossword puzzle game called Ad Lib which, previous tests showed, they had found interesting. Some were given implicit or explicit deadlines while others were not. Questionnaires completed after the game indicated that the students who had no deadlines enjoyed the game more and were more willing to participate in future experiments. There was no difference in the quality of performance, but those given deadlines worked

faster than the others. Psychologists Teresa M. Amabile, William De Jong and Mark R. Lepper reported the results to the Western Psychological Association convention in Los Angeles.

THE WORKPLACE

Factory humour

A United States researcher contends that joking in the work place is not random behaviour but occurs in definite patterns. A field study of factory humour by Joseph Alan Ullian, a doctoral student in communications at the University of Illinois at Urbana, found that joking frequently occurs as a response to unusual news about factory routines. The person who brought the news was usually the butt of the joke, which was made by the worker to whom the new information was most relevant. Ullian describes as "impressionistic in approach" prior research that indicated on-the-job joking is used to relieve tension, reduce boredom or discover potential sexual partners. And he says new data should be collected and studied in a more objective way, since it appears that joking may be significant in explaining "how employees deal with novel situations and how social organizations remain stable in the face of these changes."

JOB TURNOVER

Loyalty not a prime factor

The lower turnover rate of Japanese workers compared with their American counterparts, is not

the result of greater loyalty and commitment to the company. So say researchers Robert Marsh and Hiroshi Mannari in a study published in a recent issue of *Administrative Science Quarterly*. Their findings contradict earlier studies in which researchers identified Japanese loyalty and commitment as a distinct factor contributing to a low rate of job turnover. Marsh and Mannari's findings are based on a four-year investigation, beginning in 1969, of 1,200 employees of Japan Electric Appliance Manufacturing Company (fictitious name).

After recording the employees' work history prior to their employment with Electric Company, which previous investigations neglected to do, employees were asked to complete a questionnaire designed to measure lifetime commitment norms and values. On the basis of the answers given, index scores on lifetime commitment were assigned to each employee. High scores identified those employees who intended to remain with the company, per-

ceived other employees as also intending to remain until retirement, believed employees should stay in one organization, and regarded with disapproval ("un-Japanese," disloyal, or opportunistic) an employee who voluntarily changed organizations.

Four years later, in 1973, a list was obtained of employees who had voluntarily left the company and compared to the index of lifetime commitment. According to Marsh and Mannari, lifetime commitment norms and values exerted no significant effect on turnover. As well, none of the status enhancement variables considered important for turnover in Japan and in North America had any significant independent effect on turnover from 1969 to 1973. The study showed that the best predictor of turnover was sex, women having a much higher turnover rate than men. According to the two researchers, "Knowing that an employee is a woman is more useful predictively than knowing an employee's level of support for lifetime commitment values."

ABSENTEEISM

Dissatisfaction not major cause

Research by three Welsh psychologists has produced results that are in direct conflict with the view that job dissatisfaction is a major cause of absenteeism in industry. Nigel Nicholson, Colin A. Brown and J.K. Chadwick-Jones of University College, Wales, gave job-satisfaction questionnaires to 1,200 male and female workers in 16 organizations. In the great majority of responses, they found no significant connection between missing work and disliking the job, regard-

less of the industry or technology involved. No particular type of absence proved more closely tied to worker attitudes than another. Job absence had a variety of causes including group norms, supervisory practices and the employees' personal characteristics. Some workers may hate their jobs but never miss a day of work, they found.

They said that to blame absenteeism on job dissatisfaction was "narrow, naive and empirically unsupportable." Their own review of 29 studies purporting to show such a relationship found a profusion of inconsistent methods and results.

UNIONS

OLRB sets precedent

Prisoners who work in a slaughterhouse and meat packing plant as part of their rehabilitation program now are members of a bargaining unit certified in a precedent-setting decision by the Ontario Labour Relations Board. The board granted certification to the Canadian Food and Allied Workers as bargaining agent for a unit of 78 employees of Guelph Beef Centre which includes 43 inmates of the Guelph correctional centre. The private firm is located on the correctional centre's premises.

The board, in its decision, said the application was not seeking recognition of inmates' rights to bargain with prison authorities or with the federal government. Instead, the application concerned "the entire production work force of a private meat packing firm without regard to the status of individual workers while outside the plant...the union is seeking only to represent these people in their relationship with their employer."

Steelworkers' policy conference

Collective bargaining, economic policies and industrial safety were the principal concerns expressed by the 360 delegates to the 1977 Canadian policy conference of the United Steelworkers of America, in Winnipeg, May 4-6. The delegates represented about 195,500 members in 850 locals in plants, mines, mills and manufacturing operations in Canada.

The conference marked the retirement of William Mahoney, 60, after 21 years as national director, and



Docquier

the delegates paid tribute to Mahoney and his wife, Bernice, with gifts and several standing ovations. The newly-elected Canadian director, Gerard Docquier, took office June 1.

The delegates adopted a comprehensive economic policy statement urging a large-scale program of public investment to relieve unemployment, and an immediate end to wage controls. They also voted to give Quebec residents the right to "democratic self-determination of their political future," while pledging the union to work toward maintaining "the political union of the country." And Ed Broadbent, federal leader of the New Democratic Party, said full employment policies are the first step in building a truly united Canada. He found a "real and direct" connection between the rise of separatist sentiment in Quebec and the province's high unemployment.

The conference also adopted a policy statement on job safety enunciating three general principles that the union regards as essential for protecting its members: (1) the right to refuse dangerous work without fear of

reprisals; (2) uniform, government-set standards for levels of exposure to hazardous conditions; (3) consolidation of responsibility for workers' safety in one government agency in each province and territory and in the federal government.

Joe Morris, president of the Canadian Labour Congress, said the federal wage controls program "exposed the Achilles heel" of labour — in Canada — its collective strength has never been harnessed behind a strong national centre. "If we do not reorganize and delegate power to the centre, the emerging economic and political forces will sweep this movement aside as each affiliate in turn finds itself powerless to deal with them," he said.

FEDERATIONS OF LABOUR CONVENTIONS

Alberta

Delegates to the Alberta Federation of Labour convention in Calgary, May 4-6, elected the federation's first full-time president and showed their opposition to a bill that would outlaw public service strikes by walking out when Neil Crawford, the provincial labour minister, rose to address them.

Harry Kostiuk, the federation's assistant executive secretary for the last five years, defeated Walter Daskoch of the Plumbers and Pipefitters Union 396 to 187 in the voting for the presidency, after a constitutional amendment was adopted providing for the new office. The president will serve for a two-year term, although all other officers will be elected for one year. Kostiuk replaced Reg Baskin,

a representative of the Oil, Chemical and Atomic Workers, who retired after five years as part-time president but who remains on the executive as a vice-president at large.

About 600 of the 700 delegates walked out on the labour minister to protest against the proposed Public Service Employee Relations Act, introduced in the legislature the previous week. The legislation would prohibit strikes by 30,000 employees of the provincial government and crown corporations, and provide fines of up to \$10,000 for workers participating in an illegal walkout. The convention unanimously adopted a resolution demanding immediate withdrawal of the bill.

The provincial government also came in for strong criticism over the new Occupational Health and Safety Act, which some delegates described as showing an attitude of mere tokenism toward improving health and safety on work sites. They were particularly critical of a provision of the Act that gives the government the authority to designate which work sites will be required to have employee-management safety committees. A provincial commission, established in 1973 to study the issue, had recommended mandatory safety committees at work sites, except where the labour minister decided otherwise.

"The government has fallen short of its promise to implement the recommendations of the Gale Commission," commented Neil Reimer of the Oil, Chemical and Atomic Workers, who had sat on the commission. He drew applause from delegates when he said that if the situation did not improve, workers would have no recourse but to "recognize that work stoppages for safety reasons are legal at any time...We will shut down the

plants ourselves, whether there is a contract or not." Discussion of occupational health and safety occupied most of the convention's second day, after a report to the convention showed that 125 workers had died in the 105,836 industrial accidents in the province in 1976, and that a total of 849,000 man-days were lost to accidents.

Prince Edward Island

Executive Vice-president Julien Major of the Canadian Labour Congress reiterated the CLC's demand for an immediate end to wage and price controls, in his address to the Prince Edward Island Federation of Labour convention, in Charlottetown, April 14-16.

Major also denied criticism that the CLC, in its request for a sharing of decision-making among unions, business and government, was seeking to infringe on functions of Parliament. The council for economic and social planning, proposed by the CLC, would preview draft legislation and review current practice, and propose amendments to both law and practice. In this, "the role of organized labour would be to ensure that the voice of the workers is effectively heard before a legislative, regulatory or policy decision is taken," he said.


The 125 Federation delegates unanimously endorsed a bill to amend the provincial Employment Standards Act, introduced into the legislature by the government, describing it as a vast improvement over existing legislation. In particular, their resolution welcomed provisions on guaranteed transportation home after midnight for young employees, five guaranteed paid holidays per year, guaranteed holiday pay for part-time employees, maternity

leave of absence, equal pay for equal work, maximum hours of work and overtime pay, and effective enforcement of the Act.

P.E.I. Labour Minister George Henderson stressed the need for improved labour-management relations in his address to the delegates, and said many of the provisions in the labour standards bill were first proposed to the government in briefs from the Federation.

The delegates adopted a resolution urging the provincial government to get out of the anti-inflation program and to ask the federal government to end it immediately. Other resolutions: called upon the provincial government to examine the accounts of Maritime Electric company to determine whether past hydro rate increases were warranted; asked that companies involved in a legal strike not be allowed to hire people to perform work normally done by members of the bargaining unit; demanded provincial legislation to grant police, firefighters and hospital workers full collective bargaining rights, including the right to strike, and asked that the provincial medicare program cover hotel, meal and wage-loss costs of patients who have to go outside the province for medical treatment.

A resolution seeking reinstatement of the death penalty was referred back to committee for reconsideration. But the convention adopted a resolution demanding that the federal government review the present system of justice.

Jim Gyurus, a member of the Public Service Alliance of Canada, was re-elected for a third one-year term as president of the Federation, defeating Robert Crockett of the Canadian Union of Public Employees 62 votes to 58. 

Compensation through intrinsic rewards

by Herman Smith

Compensation is still being defined as a means of attracting, retaining and stimulating employees. However, what has traditionally been regarded as compensation — pay, benefits, pensions, and so on — is becoming a smaller part of the total “reward mix” — a part that I shall refer to as “income compensation.”

It is clear to me, as a recruiter, that income compensation is no longer able to fulfil the three functions of attracting, stimulating and retaining employees that it used to. It is intrinsic reward from meaningful work that will best fulfil those functions. I would like, therefore, to offer some observations to summarize what, in my opinion, is going on in this regard. Then I shall examine some alternatives and attempt to reach some conclusions.

We are seeing structural, temporal, demographic, organization and even fiscal changes in work groups.

- Structurally, personnel executives are moving more toward matrix management or the dual job description. Primary and secondary responsibilities blend a functional job with a task force position. It may or may not involve working with people of another organization.

- Work tenure is growing shorter. Increased job mobility, regardless of its initiation, is happening. Management has to be able to turn off the switch on a project and turn off people at the same time.

Herman Smith heads Herman Smith Management Resources Inc. of Toronto.

Permanent employment structures are giving way to project employment structures. Companies are losing what we long thought of as loyalty, and so are employees, as we move toward honest marriages of enlightened self-interest. New management methods, such as Critical Path and Management By Objectives have forced us to budget time as well as dollars.

- The make-up of the work force is changing. Women have displaced the young and have altered our unemployment statistics. As we look back historically, married women were not regarded as being unemployed. Now many of them are employed, but it is the young who are not and they make up the statistics. Do you work in the public or private sector? A greater percentage of people are saying “who knows?” Increasing government involvement in corporate activities makes many of today's employees question whether profit, or public approval is what the shareholders want. Looking back a few years in North America, we realize that the “self-employed” are rare. Ninety per cent of people in North America work for bureaucracy in one form or another.

Income compensation is no longer able to fulfil the functions it used to

- Organizations are changing too. Traditionally an organization was a pyramid. The great numbers of administrative, professional and technical employees have made that pyramid more like a barrel. Horizontal work groups and “involvement” or horizontal communication have taken over from communication up and down the line. An organization has a number of appendages today. No longer are the auditors and solicitors the only hired guns. There are graphic design specialists, warehouse layout specialists, public affairs consultants and a myriad of specialists who complement the permanent organization, receiving their pay cheques through a third party, while acting as part-time employees.

With these shifts in the nature of work, have come shifts in compensation:

- There has been such an aversion to cutting employees' pay or compensating them below our “cost of living” or “A.I.B.” (Anti-Inflation Board) level, that people get fired, perhaps prematurely. (The public sector doesn't appear to either cut pay or lay off workers.)

- Since most if not all work for some form or other of bureaucracy, generous fringes are an assumption. They are viewed not as a reward, but as a right.

- Middle and upper managers are getting the short end of increases. Anyone can go at length and talk about the dangers of compression,

and this has been going on since King Herod's time. Nonetheless, the plumbers and engineers are getting very close. Popular jealousy of senior incomes overrides the return on achievement in the minds of our population. It has reached the point where Senator Proxmire in the United States has even suggested a ceiling on pre-tax earnings. Middle and upper management have enjoyed only a 6 per cent increase in spending power since 1967. Blue collars have had six times that increase.

Permanent employment structures are giving way to project employment structures

● From potential employer interviews of middle and senior management, I have learned in recruiting that options don't work; they take decades. Bonuses have lost favour due to a declining economy. Deferral of income is out. Immediate vesting of benefits is in. No one believes in promises anymore.

● As a system, pay for performance, I recently learned, is gone. In a recent computer study, a world-renowned compensation firm can account for 95 per cent of compensation dollars, regardless of organization performance. Further analysis of that last 5 per cent could find no relevance to corporate or divisional performance. Tenure by performance is gone too. People are being fired on a "last in, first out" basis.

● Then of course we have the "money is dead" group. We have learned we can't ignore bucks because they do organize priorities, but they are telling us that money is dead from a motivational standpoint. I feel it is still important for identity and responsibility, but not reward.

● Under the heading of compensation changes as well, we have to mention government again. The only real compensation an employee feels is the after-tax dollar. The pre-tax income is strictly social convention. Today the after-tax dollar has been invaded, in my opinion, particularly at the upper level, to the point where the government controls compensation more than the corporation.

All these factors have led to changes in attitudes on the part of the worker. Income is no longer a driving force. Futility arises from the realization that the "American Dream" is dead. There is no way to show an individual that peak performance can earn top dollar in a bureaucracy so the individual turns to the quality of his work life as a new means of reward.

To know what a person reads is to know the person. A visit to any book store will show quickly the demise of *The Man in the Grey Flannel Suit* and *Cash McCall*. In their place you'll find ten books on stress, ten books on fitness, guides to astrology, Eastern religions, individual philosophy and even the occult.

Further evidence can be found at the next social gathering you attend. After an introductory ritual, the question has changed from the 1940s, when people said "Who do you work for?" through the 50s and 60s where it was "What do you do?" In the 70s the question is "What do you do for fun?" or "What do you do for kicks?", or worse, "What's your sign?" From function to title, to astrology comes the emergence of the new individualism.

These three areas of change — work patterns, compensation, attitudes — all exist in a world of rising expectations. Shareholders

In building better jobs, we are avoiding position descriptions and moving toward objectives

want more profit, governments want more power, the media want more disclosure, the family wants more time and the community wants more involvement.

We reach these conclusions:

● The structure of work is changing. People are diverting their efforts from productivity toward meaning.

● The compensation world is becoming flat.

● People want to live longer, without stress. No longer will they trade off their life for success. Successful men are no longer envied.

● Everyone wants more from the worker. The worker sees himself as he always has, as a loser. Unless this perception changes, we run the risk of him becoming a loser.

● Income compensation is becoming a function of government.

If you accept these conclusions, there come some alternatives. These may be ashes, but from them roses can grow. The roses can grow through *informal compensation* that offers intrinsic rewards — work with meaning. The roses can grow through harnessing team energy and building a sense of community in a work environment. Task definition, which traditionalists will regard as "ad hococracy" will overcome the weaknesses of bureaucracy and technocracy. Through this method work can be

compensated intangibly through the respect of peers and other participants.

We're starting to build better jobs. In building better jobs, we are avoiding position descriptions and moving toward objectives. We're playing basketball with fewer zone defences and more man-on-man systems. As the work force becomes more democratic, we will begin to informally exalt top producers. We may be approaching the Russians with their "stachanovite worker." Our society will not allow us to compensate our senior people as the Russians do, since the average Canadian president makes two-to-one in after-tax over his rank and file, whereas in Russia, the ratio is seven-to-one. We must come up with intrinsic reward systems. These reward systems can be achieved through permanent security as workers enjoy in Japan, or permanent insecurity harkening back to the days of the guild system, where everyone is fundamentally self-employed.

Who knows, the new rewards for top performance may be a tax break? Can this be a bleak picture? It seems there is a promise of an exciting, vital tomorrow through restructuring and re-orienting the work existence with intrinsic reward as its focus. We appear to be given little, if any choice, since extrinsic cash and income compensation is becoming so limited.

There is something that today's job candidates aren't telling you and me, but we know they want it and they'll get it. As the triangle form of the pyramid gives way to the barrel, we all know and work with the president. We share his concern and personal worries. His chair is not coveted; it no longer is the pinnacle of success and we thus have human difficulties, in

As the pyramid gives way to the barrel, we all know and work with the president


offering the compensations he receives, as a zenith of a working career. All of us in the barrel are the same.

Income compensation can at best hope to be fair. That means average. Society will not tolerate wide exceptions. However, life in new exciting work communities can be exceptional if we build jobs with intrinsic meaning. I believe it was Dostoyevsky who once said that the easiest way to destroy a man was to make his work meaningless. A few weeks ago, I heard from one of our prominent universities that the biggest source of occupational stress is not knowing where you stand in the boss's eyes. From literature and from science, comes the same answer: The challenge is to give meaning to work. Meaningful work will create a new style of leader who will succeed in transforming our organizations into vital public institutions worthy of our most dedicated and ablest Canadians.

It can be fun. Intrinsic reward meets all goals. We have seen this system work to develop powerful organizations that have earned the respect of many people within society. Whether we share their goals or not, certainly "Nader's Raiders" and the "Greenpeace Foundation" are examples of growing work environments existing almost without any form of extrinsic or income compensation. Personally, since I don't share either of their goals, I search for another analogy and conclude that perhaps such institutions which have outlasted governments and banks can show us the way. All forms of religious and military

structures have limited or avoided income compensation and have lasted in the thousands of years. Perhaps in a strange and bizarre way they demonstrate the secret to survival for the modern corporation. The modern corporation, as we know it, is an infant compared to the maturity of military and religious structures. The modern corporation seems to search for commitment and meaning from its workers. We all get upset because we can't find it today. We should take a look at organizations which have lived on commitment and meaning for many centuries.

...There is a promise of an exciting, vital tomorrow through restructuring and re-orienting the work existence...

So many conferences and so many books on compensation have dealt only with the subject of income compensation, as we sought specialist knowledge. It was appropriate. However, in an era when one can almost foresee the minimum wage putting a person in the executive tax bracket of yesterday, that period is drawing to a close. I think income compensation will give us less to talk about 20 years from now. It concerns me because it means the end of an era that we all held dear. Today man in North America enjoys, perhaps as much as ever will be possible, a feeling of welfare. It brings about the end to economic man. The day of the dollar "carrot" is over. We seek new answers. 

The foregoing was condensed from an address to the Third Canadian Compensation Conference, Toronto, 1977

Federal initiatives to improve the quality of working life in Canada

In the following article, John Munro, federal Minister of Labour, discusses his Department's Quality-of-Working-Life program, one of several initiatives being taken by the federal government to improve Canada's labour relations.

The quality of working life (QWL) is a relatively new theme in Canadian society. It is intended to reflect the attitudes and aspirations of a new generation of workers who are unwilling to spend one third of their adult lives as human cogs in inhuman machines. It recognizes workers as men and women who like to go to work, who like to do a good job, who care about productivity.

This is, in fact, a revolutionary approach to labour-management relations. It challenges the long-established principles and practices of scientific management. It's an idea whose time is long overdue — economic advantages of the application of scientific management to the production process have obscured for too long the human and social costs.

Assembly-line economics

That great father figure of economics, Adam Smith, was one of the first advocates of scientific management. He proposed, among other things, that the traditional method of pin-making be broken down into 18 specialized operations. Each step would be performed by unskilled workers on an assembly line. The jobs would be extremely simple. They would

also be highly repetitive. But since the cost of pins would be reduced substantially, Smith was convinced that society would benefit from this "rationalization" of the production process.

That was in 1768. If Adam Smith were able to visit us today, although he might be discouraged at our rejection of some of his economic theories, he would likely be pleased by the adoption of his principles for mass production throughout industry.

The human problems of the machine-efficient society have been under continuous observation and analysis by industrial relations specialists since the end of World War II. Professional observers were concerned about the dehumanization of the job and the popular acceptance of this dehumanization as an unavoidable cost of production efficiency. Some observers have recently concluded that first, our failure to deal adequately with human needs and aspirations on the shop floor is counter-productive; and second, productivity and job satisfaction are interdependent.

The key to the new approach to the man-machine relationship is to restore — and increase — the participation of workers in production decisions. *Employers are discovering that workers have brains and hearts as well as hands and feet.*

Some of the earlier efforts toward this new approach were made by the Tavistock Institute for Human Relations in the United Kingdom.

In the 1940s and early 1950s, the Tavistock Institute studied work methods in the British coal mines.

Eric Trist, one of the leading researchers in those studies, observed that traditionally, miners worked out their own job routines. They worked in pairs and did a short length of the coal face from start to finish. Each of them used all the skills that were necessary. They chose their teammates and supervised themselves almost entirely. They could add to a work gang in case of difficulties.

The introduction of elaborate machinery, however, eliminated that simple and effective pattern. New mechanical methods utilized groups of 40-50 men working in specialized jobs. The men were paid different wage rates. They were assigned to a regulated sequence of operations.

Supervision became a distinct role in itself. The new methods were aimed at optimizing the technical system, but they failed to optimize human skills and brain power. They failed to treat workers as people, but only as machine tenders.

The Tavistock workers then looked for groups of miners who had adapted to the new technological environment by creating their own social system. They found self-selected groups who took responsibility for allocating tasks and shifts. They set their own goals. They set their own schedules and deadlines. Each member of the group had the same basic pay and they divided bonuses equally.

The composite work group organized by the workers was found to have clear advantages over the work structure organized by the systems engineers. Job satisfaction was better. There was less frustration among the workers. Productivity was higher. Absenteeism and accident rates were lower.

Concept spreading

Quality-of-working-life experiments are widespread in Europe and are beginning to appear in the United States.

Many of us know about the Volvo automobile plant in Sweden that was built around semi-autonomous work groups. The objective of this new-style assembly line is to make the machine the servant, rather than the master, of the work force.

Quality-of-working-life experiments are also under way in several Canadian enterprises, and I hear about new ones planned or beginning almost every week. Canadian enterprises applying these concepts include airlines, mineral processing plants, pulp and paper plants, lumber mills, government agencies, grocery chains, manufacturing and oil refineries.

Successful quality-of-working-life experiments have been carried out, for example, at Steinberg's in Montreal, Alcan Aluminum Products at Kingston, and B.C. Forest Products Limited in MacKenzie, B.C. Three experiments have been undertaken in the Public Service of Canada — two in Statistics Canada, and one in the Department of National Revenue (Taxation). Experiments range from profit sharing to employee participation in decisions to change equipment and its use, and working conditions generally.

The principal objectives are to show concern for workers, and to balance the contributions of men and machines in the production process. *Under-utilization of human capability can be as expensive and unprofitable as the under-utilization of machines.*

Lack of concern for, and under-utilization of workers inevitably result in high turnover, absenteeism, excessive use of sick leave, high wastage, low quality production, and bad labour relations.

Rich settlements at the bargaining table are not an effective antidote to these problems. Money is at best only a partial substitute for a lousy work life.

Since I announced the government's intention to develop a national Quality of Working Life program, officers of my Department have examined similar initiatives in Britain, France, Sweden, Norway and the United States.

On the basis of this examination, I have asked the provincial departments of labour to join with my Department in the creation of a federally chartered, non-profit organization to promote and

Money is at best only a partial substitute for a lousy work life

encourage quality-of-working-life experiments throughout Canada. The federal government will contribute sufficient funds to staff a small Quality-of-Working-Life Centre and provide some financial support for its programs. The Centre will promote, facilitate and coordinate activities aimed at improving the quality of working life throughout Canada.

Ideally the Quality-of-Working-Life Centre would constitute but one dimension of a larger, multipartite relationship of governments, organized labour, business and other important institutional representatives of the community. I would expect the Centre to carry out its mandate under the direction of a multipartite council (it might be called "The Canadian Council on Quality of Working Life") which would include representatives of organized labour, the business community, the federal and provincial governments, and the academic community.

I am pleased to report that Professor Eric Trist, who has been



Brains and hearts as well as hands and feet



Adam Smith would be pleased

a driving force in quality-of-working-life experiments in Britain, Europe and the United States for two decades, has agreed to act as a technical advisor to the Centre and to the Council when these are established.

Although the ultimate destiny of the Quality-of-Working-Life Centre will be in the hands of its Council, those in my Department now working on its development have concluded that it should have the following characteristics — and I share their views:

1. The Centre should be advisory rather than regulatory — participation in quality-of-working-life experiments by employers, unions and employees must be voluntary.
2. Quality of working life is based on the direct and voluntary co-operation of employees in the assessment and resolution of production problems on the shop floor.
3. Experiments should aim to achieve both increased job satisfaction and improved productivity.
4. Experiments should involve both organized and unorganized employers.
5. The Centre should co-operate with and support other institutions and organizations interested in quality of working life; for example, provincial governments, employer associations, unions and universities.

There may be a tendency for some people to pass off QWL as “just another fad.” Why should governments in belt-tightening times promote and use the taxpayers’ money to support yet another “cloud nine” proposition? I will try to explain why quality of working life seems to me a horse we should put our money on.

Strains in labour relations

For a variety of reasons we have been concerned for some time about the state of industrial relations in this country. Some of these reasons relate to the stresses and strains of the collective bargaining process (for example, the increased duration of negotiations, the increased use of third-party intervention, illegal strikes, and contract rejections by union members).

Other reasons relate to the attitudes and behaviour of individual workers with respect to their working conditions, such as absenteeism and turnover.

The changing expectations of workers during the last decade, as well as the new demands of the production processes in the enterprise, are major sources of labour-management problems. Many of these difficulties cannot be eliminated by legislation, or by improving the supply and qualifications of mediators. That is why I am committed to a program for improving the quality of working life. Not from without, but from within. Not from the top down, but from the bottom up.


It must be recognized that the establishment of such a program may create new problems. The traditional approach of organized labour for improving employer-employee relations is through collective bargaining. Management, too, has been concerned that such initiatives might challenge its traditional right to organize work.

I am convinced that the reservations of union officials and management can be overcome through direct involvement in quality-of-working-life experiments. QWL is not an alternative to collective bargaining. But it can

complement the benefits which trade unions win for their members at the bargaining table.

Despite the natural concern of employers to control both the major dimensions of production processes, as well as the day-to-day details, many are beginning to recognize that workers have access to information and a capacity to develop solutions to production problems which are not available to supervisors and managers. They are also becoming aware that reliance on the master-servant relationship is abrasive and counter-productive in a society which is based on democratic values.

The quality-of-working-life approach to job satisfaction and improved productivity is not a panacea for the ills of industrial relations in Canada. It is an essential element toward curing those ills and an integral part of the 14-point program on which we embarked last fall. (LG, June, p.251)

Quality-of-working-life experiments reach out, touch and involve people. They bring workers and managers together. They demonstrate that corporations and management personnel are sensitive to the needs and aspirations of their employees, and that workers realize their stake in the economic success of their employers. I am convinced that employers who show this kind of concern for restoring the morale and dignity of workers, will give themselves productivity gains that cannot be secured from more sophisticated technology, gains that experiments show may often be beyond their wildest dreams. 

John Munro

*Minister
Labour Canada*

The new work ethic

by Kenneth Taddeo and Gerald Lefebvre

A new work ethic is beginning to emerge in advanced industrial countries, gradually replacing the current work ethic whereby work, however distasteful, is simply accepted as a moral duty and an economic necessity. It is not a non-work ethic, but a new ethic concerned with the quality of working life.

Like other industrial societies, Canada has two options. The first is to retain and accept the monotony and dullness associated with the vast majority of jobs that must still be performed in the manufacturing and service sectors. The need to work is then accepted as a necessary evil that must be endured, efforts are made to shorten the time spent at work, and a scale of pay is sought that would enable the worker to find satisfaction elsewhere.

The second option is to redesign jobs and organizational forms so that the majority of employees, rather than the privileged few, can do work that is meaningful and fulfilling, while at the same time maintaining a high level of productivity.

No doubt, some mixture of both will continue, but that should not stop us from opting clearly for the second option. There is a limit to the extent that money and leisure can compensate for a negative working life. A sense of alienation has been steadily growing among the younger generation, whose experience and expectations are different from those of workers reared under conditions of scarcity, when economic rewards

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were paramount. Of course, some older workers continue to be willing to trade off dehumanizing work for good wages and employment security. They don't think they have a choice. The younger worker expects monetary rewards, but also seeks a satisfying job.

The term "quality of worklife" (QWL) refers to the relationship between an individual and his or her total work environment. Attempts to improve it involve seeking alternative ways of organizing technology and the individual's relationship to it by changing the nature of the task. Projects to improve the quality of worklife are based on the premise that if employees, whatever their functions or levels, are given greater opportunity to determine the nature of their tasks — in terms of reorganizing their relationship to technology — the result can be higher productivity as well as improved quality of working life.

It was the work of the Tavistock Institute in London that initially led to the development of the notion that work organization

should be regarded as a socio-technical system. This means that any production system requires both a technological system and a social system that are properly related to each other in order to produce results.

The technical system comprises the equipment and plant, with its particular characteristics and requirements and the way it is laid out. The social system is made up of people in the work situation, with their particular physical, psychological and cultural requirements and goals.

By designing and managing the work situation in such a way that the social and technical systems complement one another, one achieves joint optimization of these systems and an optimization of the functioning of the organization as a whole. Unless technology is translated into tasks that are in accordance with human needs and characteristics, how can we pretend to create organizations that will function at their maximum level of effectiveness?

The essence of the QWL approach centers around joint involvement, joint participation in developing solutions to problems of the work place, and the joint sharing of benefits by all those directly affected.

Who are the principle parties to be involved in improving the quality of worklife? Both unions and management must be involved in developing solutions to the problems of the work place.

We need better recognition of the limitations of the adversary relationship

This mutual responsibility and involvement are not possible when one party is regarded as an enemy and the other a friend of the employees, when the vocabulary is exclusively what can "we" get? What will "they" give? What is the minimum and what is the maximum? I am not suggesting that the adversary relationship is obsolete. Collective bargaining and other forms of conflict are quite useful whenever distributive issues arise. What we need is better recognition of the limitations of the adversary relationship, a more constructive resolution of conflict and greater importance accorded to the integrative issues. Currently we tend to see conflict as being almost always a lose-lose situation and overlook its win-win possibilities. The cake, however, must always be divided. Joint responsibility and joint problem solving are not possible without joint benefit.

Although many values or dimensions have been articulated in QWL projects, four values would appear to be essential to the success of any experiment — security, equity, individuation, and democracy.

Security at the work place implies the worker's need to be free from anxiety concerning his or her health and safety, income and future employment. A worker in fear of losing his income lacks the security necessary to develop fully his skills or ideas. The worker also needs to be secure about the future. Retirement benefits should be protected through immediate vesting and/or portability of these benefits so that they will not be lost if the worker were to change jobs. This has been a major thrust of unions until now.

Equity implies compensation according to the worker's contribution to the value of the service

Joint problem solving and joint responsibility are not possible without joint benefit

or product. Lack of equity — for example, large differences in income between managers and workers — or a lack of sharing of profits causes resentment and hostility. In practice, equity requires searching for fair methods of evaluating individual contributions.

Equity also includes the concept of profit sharing. Workers could be ensured contractually a specified percentage of the profits, to be divided among work groups according to the contribution of each group toward increased productivity. While this might be difficult to ascertain, once the principle has been accepted, many companies have developed equitable profit-sharing plans with excellent results on both the quality of worklife of the workers and the economic health of the organization.

The final element of equity is the concept of paying the worker not for a particular task but on the basis of skills and knowledge developed with respect to the jobs performed, paying the individual for what he or she knows and can do rather than for their specific job (in contrast to paying according to credentials). This idea makes sense particularly when other aspects of work are humanized, for example when work is structured around autonomous teams rather than hierarchies.

The health of individuals as well as society depends on putting into practice the principle of individuation in the work place.

Individuation can lead to a non-bureaucratic work environment in

which workers are encouraged to develop themselves and learn as much as they wish about the organization as a whole. Individuation also involves bringing back the concept of craftsmanship, which means that employees are permitted to develop a greater degree of autonomy in determining the rhythm of their work and in planning how it should be done. Thus work could stimulate the development of unique abilities, craftsmanship and the capacity for continued learning.

The desire for craftsmanship is deeply embedded in the human character. Recent studies of Canadian workers' attitudes have clearly revealed the desire that their jobs be more interesting, provide more autonomy, allow them to develop their abilities to the fullest. These factors concern them more after they have reached a certain level of income. These studies further indicate that workers have a sense of what is important to their mental health.

Democracy in the work place ranges from participatory management, where workers' views are heard and considered in decision making, to systems of worker control where worker authority and responsibility are institutionalized. The principle of democracy, like that of promoting the complete development of the individual, is opposed to making the worker into a passive object, part of a machine, or part of a hierarchy. Wherever feasible, why couldn't workers manage themselves? Authoritarian management control systems could be replaced by co-operative autonomous work groups.

It must be noted that many attempts at change have been based on the erroneous belief that certain symptoms have a single cause. This kind of thinking does

not take into account that individuals live in socio-technical systems in which all factors are related. Changing one dimension, without paying attention to the others may lead to results very different from the ones desired.

Some attempts at participative management have failed; some job redesign projects have not led to much improvement. We must ask ourselves: was there joint ownership? Was there concurrent work done on the above four dimensions? Was the joint payoff evident? If management is not prepared to share some control/power/responsibility/benefit, then its call for participation and involvement is a cry in the desert. I do not think that these four values lend themselves to either legislation or to determination at the bargaining table, as other countries are attempting. Rather I believe these values must be implemented in the total work environment through joint involvement of workers and managers and the union.

In many ways, jobs today are designed using methods that were developed at the beginning of the industrial revolution.

The current implicit criteria for designing jobs are:

- maximum specialization through the limitation of both the number of component tasks in a job and variations in tasks;
- maximum repetitiveness; and,
- minimum training time.

What follows are the characteristics of what has become the design of work.

1. The single-task job is the basic element into which an organization is engineered and broken down.

An analyst studies these jobs and designs the "one best way" which a worker must then follow.

2. Man is simply an extension of the job. Another kind of "machine" useful only in performing those operations that a machine cannot do. He is not regarded as a complementary entity with distinctive human properties of which constructive use may be made. So far as these appear they are considered a nuisance.

Four values would appear to be essential to the success of any QWL experiment — security, equity, individuation, and democracy

3. Individuals and their single-task jobs are glued together by supervisors who supposedly absorb the uncertainties and variabilities that arise in the work situation. These supervisors need supervisors, and so on till the whole enterprise is organized in a multi-layered hierarchy of formal positions governed by somewhat authoritarian and bureaucratic roles.

4. The organization remains free to use any available "legal" social mechanisms to enforce compliance, including manipulation and coercion.

5. Job fractionalization is used to reduce the cost of carrying out work by reducing the skill contribution of the individuals who perform it. The more this process can be simplified, the more can unit cost be lowered. Other costs, more indirect, like turnover, absenteeism, boredom, alienation are not easily measureable or not considered.

The emerging theory of socio-technical job design rests largely on the premise that effective performance and genuine satisfaction in work follow mainly from the intrinsically satisfying content of the job. The new practices of job design are concerned largely with designing the content of jobs so as to enhance the intrinsic rewards. These could be, for instance, feelings of achievement and worthwhile accomplishment. Secondly, jobs are designed to relate individuals to their immediate work environment.

Jobs today could be designed using these criteria:

1. The employee should have some opportunities to exercise responsibility and to control his own work.
2. The job should test the employee's valued abilities.
3. The employee should receive regular information about performance.
4. The separate operations workers carry out should be so integrated as to constitute a single overall task.
5. The work cycle should be of optimum length.
6. Some degree of variety of operations and tasks should exist within the job.
7. The job should provide opportunities for development and lead to an acceptable future.
8. The individual should experience some degree of social contact and support from others within the work situation.

These requirements are obviously not confined to any one level of employment. Nor is it possible to

meet these requirements in the same way in all work settings, or for all kinds of people. The crucial step in the socio-technical system analysis of an organization is the identification of the most appropriate socio-technical unit. The smallest one could be one man-one task or an autonomous group of persons engaged in various tasks.

Many of the quality-of-worklife projects reviewed indicate that new types of organizational structure, management methods and job content can be developed that lead to co-operation, commitment, learning and growth, ability to change, high work source satisfaction and improved performance. When responsible autonomy, adaptability, variety and participation are present, learning and behaviour that improves the organization and enhances the quality of working life for the individual will result.

One of the key factors is autonomy. This means that the content, structure and organization of jobs is such that individuals or groups performing those jobs can plan, regulate and control their own work. Autonomy implies for instance the need for individuals with multiple skills so that they can share an array of tasks. This could lead to self regulation, a radical notion in conventional organizations. Under the principle of self regulation only the critical interventions, desired outcomes, the organizational maintenance requirements need to be specified by those who manage, leaving the remainder to those who perform the task. Specifically, situations are provided in which individuals or groups accept responsibility for the cycle of activities required to complete the product or service. They establish the rate, quantity and quality of output. They organize the content and structure

The support and active co-operation of the unions must be sought

of their jobs, evaluate their own performance, participate in setting goals, and adjust conditions in response to the total work system.

Research carried out in European quality-of-worklife projects indicates that when the individual or group becomes largely autonomous, then meaningfulness, satisfaction and learning increase significantly, as do identification with the product, commitment to the desired action, and responsibility for outcomes. These findings support the development of a job structure that permits social interaction among jobholders and communication with peers and supervisors, particularly when continuity of operation is required. High performance in quality and quantity of products or services is thereby achieved.

It is clear that attempting to improve the quality of working life can pose problems for employers as well as the union. The employers are conscious that a process of this kind once begun is hard to control. But they may also reap a potentially high return. If the alternatives are reluctant employees, high turnover, and absenteeism, continued industrial strife, and organizational rigidities brought about by resistance to change, employers may hasten to embrace a policy that may not only avoid these problems, but bring about desired benefits.

Unions see the situation as even more hazardous, however, with much to lose and seemingly little to gain. Over many years, they have painfully earned the right to consultation and negotiation with

management. The notions of democracy at the work place, the sharing of power and autonomous work groups involving the workers in decisions about their work can appear as devices designed to undermine their loyalty to the union. Yet the whole concept of enhancing the quality of working life is doomed if it is opposed by the unions or confined merely to non-union organizations.

The problem to be solved here is getting management and union to agree to collaborate on developing successful QWL projects.

The support and active co-operation of the unions must be sought, with the realization that they will not accept new proposals, however well founded, that seem to undermine their position as the workers' champions. Neither would the unions join in such attempts unless the gains are to be shared.

Success is not assured. It must be earned. Each QWL experiment is unique, pitfalls and risks are common — such as inadequate understanding by employees and union managers, planning that does not take into consideration the uniqueness of each work place, or suspicion, envy and outright fear of innovation and job loss. Crucial to success therefore, is not only a thorough understanding of the QWL process but the realization that the employees direct the actual experiment. It is theirs! Its concerns and directions are their decisions.

Those who work in this area know, and those who intend to do so will soon discover, that improving the quality of worklife is not another new fad or fashion but is in fact a direct confrontation with the complexities of organizational life. It is hard, demanding work. Let's proceed with caution. [9]

Equality of opportunity for women in the federal public service

by Monica Townson

It is just a year and a half since the minister responsible for the status of women expressed publicly his dissatisfaction with the progress toward equality of opportunity in the federal public service. He gave his assurance that "within a reasonable period," the government would make sure that men and women are represented in all departments, occupational groups and levels in proportion to available numbers of qualified people of both sexes.

Looking at the latest report of the Public Service Commission, just released, gives the clear impression that the "reasonable period" referred to by the minister may extend well into the future. The concentration of women in certain occupational categories continues,

...the public service will have to try harder if it intends to meet the goals set by the minister responsible for the status of women

progress on salaries is much more dramatic for men than for women, and the way in which the report deals with equal opportunity for women leaves one with a slightly uneasy feeling.

There are some impressive-looking charts and tables in this year's PSC report, but on closer examination they do not give as much information on the position of women as was available in previous years. One chart, for

Monica Townson, an economist and former journalist, is vice-president of the Advisory Council on the Status of Women. She has spoken and written extensively on the subject of women in the labour force and women and money.



example, shows huge percentage increases for women in the different occupational categories. But a reading of the fine print reveals that, unlike the other charts which show progress over the past year, this one compares 1976 with 1974. No explanation for this is given, but the commissioners feel obliged to point out that "the large percentage change for females in the senior executive category is misleading because of the small number of females in this category in 1974."

The administrative support category remains the most glaring example of a "job ghetto" within the federal public service. The percentage of women in this category has risen from 68.2 in 1972 to hit an all-time high of 78.8 last year. Clearly the public service will have to try harder if it intends to meet the goals set by the minister responsible for the status of women.

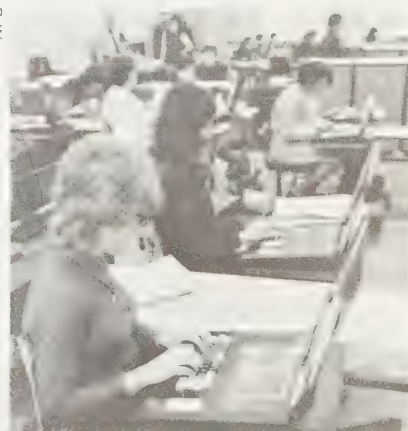
True equality of opportunity means that all jobs are open to all qualified persons regardless of sex. When men and women are not evenly distributed throughout all occupational categories, the

implication is that they do not have equal access to all jobs. Just over 33 per cent of all public service employees in 1976 were women. This means that any job or department in which women constitute more than 33 per cent of employees can be considered a "job ghetto."

Over the past five years, the number of women in the administrative support category has risen by 30 per cent, while the number of men has fallen by 25 per cent. This is exactly the opposite of what should be happening if job segregation is to be eliminated.

There appears to have been no progress at all in employing more women in the scientific and professional occupational category. The percentage of women in this category has remained virtually unchanged for the past five years. But the public service does seem to have made

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Measurable goals and reasonable timetables required

some headway in appointments of women to jobs in the administrative and foreign service category. Almost 21 per cent of these jobs are now held by women, compared with just under 14 per cent in 1972, which is when the program of equal opportunities was initiated.

While this may be cause for congratulations, it must be pointed out that there are still only 10,500 women in the administrative and foreign service category, compared with over 59,000 in administrative support. More than 63 per cent of

Over the past five years, the number of women in the administrative support category has risen by 30 per cent while the number of men has fallen by 25 per cent

all women working in the public service last year were in that category. This is an improvement over 1975, when 65 per cent of female public servants were in administrative support, but clearly there is still a long way to go.

PSC spokesmen reacted to criticism on this score earlier this year by expressing the opinion that participation in the public service will not change until women pursue careers in such areas as computer sciences and engineering. It may take a little more positive action on the part of the Public Service Commission if it is really serious about changing the situation.

There were only 1,800 men in computer systems administration, who were recorded on DATA stream last year, compared with 326 women. Incidentally, this was an increase of over 9 per cent in the number of women in computer

systems who were registered on DATA stream.

It seems more likely that the key to removal of job ghettos would be more attention to affirmative action programs. But the term "affirmative action" is not used in the PSC report this year, even though various government departments have such programs. Labour Canada sums up the problem very neatly in the *Guidelines for Employers*, which were a joint effort with Manpower and Immigration and were released recently. "Concentration," say the guidelines, "may be defined as having more women in a job category or department than would be reasonably expected by their presence in the work force. Statistically, women are concentrated in clerical and non-skilled areas. If your analysis reveals significant underutilization of concentration, you should take remedial action through an Affirmative Action program."

But the Public Service Commission seems to have slightly mixed

There appears to have been no progress at all in employing more women in the scientific and professional occupational category

feelings about this. It admits that anglophone males are over-represented in the public service, "while females, francophones, native people and the handicapped" are under-represented. According to the commissioners, "there are two broad approaches that might help to rectify these imbalances."

One approach would be "to attempt to ensure, for example, by quotas, that all elements of the Canadian population were represented proportionately throughout the Public Service." But the commissioners say that this approach would be undesirable and impractical, and they believe it would conflict with the merit principle on which public service

Distribution of women in the federal public service by job category

Category		Total	Women	Women as % of total
Executive	1975	1,186	21	1.8
	1976	1,268	30	2.4
Scientific and Professional	1975	23,444	5,759	24.6
	1976	24,623	5,956	24.2
Administrative and Foreign Service	1975	47,579	9,152	19.2
	1976	50,461	10,494	20.8
Technical	1975	25,866	2,516	9.7
	1976	26,830	2,678	10.0
Administrative Support	1975	74,574	58,109	77.9
	1976	75,143	59,208	78.8
Operational	1975	100,518	13,572	13.5
	1976	104,268	15,438	14.8
TOTAL	1975	273,167	89,129	32.6
	1976	283,169	94,013	33.2

Source: Public Service Commission Annual Reports, 1975 & 1976

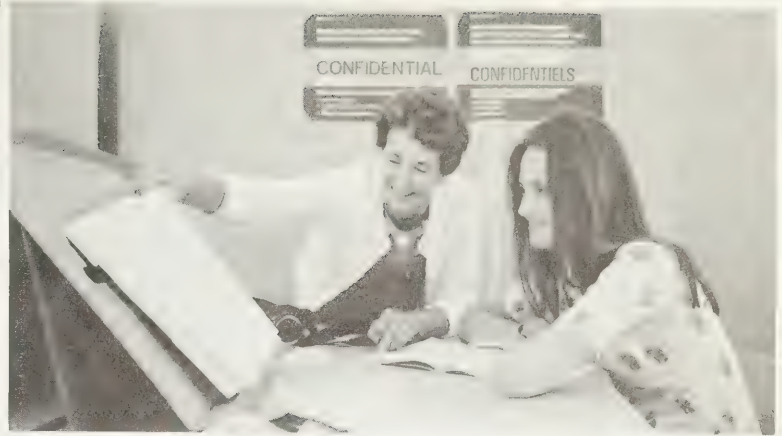
appointments are now made. The commission also says that this approach would "pose unanswerable questions." For example, how could it be decided which groups should be proportionately represented at which levels and where? The groups are not mutually exclusive, says the commission, and "the setting of quotas for a multiplicity of sub-groups and sub-subgroups would be difficult and cumbersome, if not impossible."

...the key to removal of job ghettos would be more attention to affirmative action programs

Naturally, the more groups and subgroups that are included in any consideration of equal employment opportunity, the more confusion will be created, and it would seem that the PSC is already clouding the issue as far as its women employees are concerned by including them with francophones, native people and the handicapped. And the reference to quotas might be viewed in some quarters as "dirty pool." Not many people would want to see Canada go to the extremes of quotas and compliance officers as the United States has done. But as Labour Canada points out in its guidelines, "Any serious business program requires setting measurable goals and reasonable time-tables for achieving goals. It is also useful to make a distinction between intermediary short-term goals that can usefully be met by immediate action, and long-term goals aimed at removing the effects of systematic past discrimination."

"Long-range goals should not be rigid and unchangeable," says Labour Canada. "They cannot be based upon exact predictable

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Progress on salaries is much more dramatic for men than for women

statistics. Interim annual targets for female representation at each stage of the employment process should be established. The nature of those targets will depend both on internal and external factors such as anticipated expansion, expected turnover, availability of workers, skills required for jobs, and so on."

It is not clear if such targets have been set for the public service itself, but the commissioners come down in favour of "giving all Canadians equality of opportunity to compete for positions in the

...there is now a reasonably numerous population of qualified and available women from which future candidates for positions at all levels can be drawn

public service." The PSC says it will continue to work with departments and agencies "to remove institutional and attitudinal barriers to effective equality of opportunity and to continue special efforts among under-represented groups to ensure *that they are aware of and can compete for positions in the Public Service.*" (The words in italics

would appear to be the significant ones.)

The commissioners note that "although women seem to be concentrated at the lower levels, one positive note emerges: there is now a reasonably numerous population of qualified and available women from which future candidates for positions at all levels can be drawn. It is pertinent to recall," says the commission, "that it was only as recently as 1955 that the requirement for female public servants to resign on marriage was removed." As they say in the media, "You've come a long way, baby!"

It is not clear what impact the government's austerity program has had on the position of women in the public service. As the commission itself points out, "career progress is slower...public servants have been forced to moderate their aspirations and adaptation is often painful." A drop in the number of appointments to the public service, according to the commission, has reduced its ability "to rectify the effects of previous inequalities of opportunity; the less recruiting, the fewer the opportunities for women, francophones, native people and the handicapped to join the public service." This

would seem to support the case for more intensive efforts to train and promote the women who are already in the service.

The Career Assignment Program, for example, which was one of the brighter spots in the public service in International Women's Year as far as women were concerned, slipped back again in 1976. Only 14 women (compared with 55 men) took part in the program last year, reducing the percentage of women participants to 20.3 compared with 30.6 the year before.

And if women had any aspirations in the area of salaries, they were probably disappointed last year. Male employees over the past few years have been able to achieve significantly greater improvements in pay scales than their female colleagues. In 1974, 46.4 per cent of men in the public service were earning less than \$10,000 a year. By 1975, only 27.4 per cent of men were in the lowest salary brackets and by 1976, only 8.4 per cent of male employees were earning less than \$10,000 a year.

Of course, allowance must be made for inflation in evaluating these trends. A salary of \$10,000 in 1974 would be equivalent to a higher amount in 1976 dollars. But judging women on the same basis, we find that in 1975, while over 70 per cent of women in the public service earned less than \$10,000 a year, almost 73 per cent of men earned more than \$10,000. By 1976, almost 92 per cent of all male public service employees were making more than \$10,000 a year, but 41 per cent of female employees were still earning less than \$10,000.


The PSC said earlier this year that at the higher end of the scale, rather than look only at the small number of women appointed to the senior executive category, it was perhaps more realistic to see how many women were earning

Male employees over the past few years have been able to achieve significantly greater improvements in pay scales than their female colleagues

more than \$30,000. In 1976, there were 168 women whose salaries came to more than \$30,000 a year: there were 5,872 men whose annual salaries were more than \$30,000.

Publication of the Advisory Council's first study on women in the public service last year prompted the minister responsible for the status of women to say publicly "It is quite apparent that

a more explicit and aggressive policy is required which will involve the active commitment of departments to accelerate the desegregation of the public service work force." Special measures were announced by the minister in October 1975 in support of equal employment opportunities for women, including an annual review of the progress achieved by each department.


If the federal public service feels it really has made progress in implementing this policy, it might be a good public relations move to issue a separate report on the matter so that its women employees can see exactly where they stand. 

Affirmative Action

Affirmative Action, a program designed to improve and enhance employment opportunities for women in all areas of the work force, was announced jointly by labour minister John Munro and manpower and immigration minister Bud Cullen on May 10, 1977.

Affirmative Action originated in December 1975 during a federal-provincial conference on human rights and has been developed in close collaboration with the provinces and human rights agencies in order to secure co-operation among companies awarded federal contracts. There are more than 1,000 such contractors across Canada, and they will be provided with affirmative action guidelines and necessary consultative services.

The program involves a series of positive steps undertaken by employers to remove systemic barriers to employment and to achieve measurable improvements in hiring, training and promoting qualified workers who have in the past been denied access to certain jobs.

Further information about Affirmative Action may be obtained by writing: Rights in Employment, Labour Canada, Ottawa, Ont. K1A 0J2. 



Close to 79 per cent of women in Canada work, and they make up 45 per cent of the labour force.

Pension indexing — a new perspective

by Leslie W.C.S. Barnes

During the course of the last year the debate on the indexing of pensions in general, and of public service pensions in particular, has declined into a series of strident monologues. It was as if the proponents of the various viewpoints were proclaiming their cases in entirely different languages. The resultant friction has caused heat to increase and light to fade. The overall effect, to say the least, has been unproductive.

The desire to reduce the essential factors in the controversy to a common language was one of the reasons that led an informal group, all of whom had backgrounds in either economics or public service staff relations, or both, to work together on an analysis of various aspects of the problem. The outcome was a detailed submission in April to the government's Pension Policy Review Task Force.

The document — by L.W.C.S. Barnes, R.B. Crozier and G.T. Jackson — dealt with a number of topics of specific concern to the public service, but the core of the study involved the basic question of pension indexing in both the public and the private sectors. It sought to explore the validity of the claim, advanced repeatedly by opponents of the concept that it is a philosophy which is bound to bring about the eventual destruction of the Canadian economy. (See LG, June '77, "The Great Pension Debate.") It soon became clear that one of the main causes of the breakdown in communications was indeed the significant differences in both the language and the technical tools

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of the actuaries, pension fund managers and insurance executives on the one hand, and the economists and industrial relations practitioners on the other.

"The actuary tends to see the dollar as a dollar whether expressed in today's prices or in the prices which will prevail 10 or 20 years into the future. Their calculations are based on predictable averages, mortality tables and probability patterns and make no allowance for inflation — and indeed they cannot for no one can predict the future rate of inflation. The economist tends to see the dollar as a unit of purchasing power. This dollar unit will only buy a basket of goods and services worth 49 cents in ten years' time if inflation continues at 7½ per cent a year — or only 24 cents in 20 years' time if inflation continues at this rate. In these circumstances, (to retire at 60 and live to 80 would not only be a remarkable achievement, but a very unpleasant one as well.)" (Submission to the Pension Policy Review Task Force Examining the Adequacy of Pension Arrangements in Canada.)

It was equally obvious that one of the root causes of the uproar over the indexing of public service pensions was that the private pension industry is under pressure from its constituents to do the same thing, and they maintain that they cannot afford it. Perhaps this

is so. But does this mean that the country as a whole is unable to afford what would seem to be a very desirable social objective? The authors of the study concluded that "the actuarial discussion sheds no light on the underlying issue because it assumes that a dollar is a dollar whatever happens to prices." As they saw it, the need was for an economic analysis of the real resource transfers that take place during inflation and an estimate of the costs that would be involved if the federal government stood ready to index all pensions in both the public and the private sectors. With this in mind they set out to strip away, as far as possible, the often confusing veil of money.

Canada has about two million pensioners (about 9 per cent of the population) whose average income from combined government and private sources was less than \$5,000 in 1976. The total pension payout was a little over \$9 billion or about 4.9 per cent of the Gross National Product. It was made up of about \$7.4 billion in federal and provincial payments (including such benefits as Old Age Security, Veterans' Allowances, Public Service Superannuation and Workmen's Compensation) and an estimated \$1.7 billion paid out by various private pension plans. Inflation in 1976 ran at about 7.5 per cent, and so the cost of indexing all these pensions to preserve their purchasing power into 1977 would have been about \$680 million, or some 0.4 per cent of the GNP. Looked at in another way, it would have cost less than a third of the current Family Allowance Payments.

From this base the study was carried forward to develop corresponding estimates for the year 2031. By this time the ratio of the retired sector of the population to the active work force will be rather higher than it is today but the cost of pensions is expected to still stand at only about 5.9 per cent of the GNP. This assumes that pensioners' real income will rise as rapidly as workers' real income. This is highly improbable, because even indexed pensions do not share in the productivity growth of the economy as does the pay of the working population. So 5.9 per cent of the GNP is probably too high an estimate.

The opponents of indexing have tended to mention the year 2031 as the date by which national bankruptcy will be inevitable if indexing is allowed to continue. The next step in the analysis was therefore to forecast the situation that might be expected in that particular year. Here the authors made assumptions weighted heavily in favour of the critics of indexing but, even so, the results indicated a tolerable burden on the economy. The first assumption was that the GNP in 2031 would be \$368 billion (in 1976 constant dollars). That is only twice the figure for 1976 and it could be reached with a real annual growth rate of barely 1.5 per cent, compared with the average of 4.9 per cent which the Canadian economy has achieved since 1950. An old age dependency ratio double that of 1976, as predicted by the most vocal critics of indexing, was accepted for the calculations. The 1976 ratio of pensioners' real income to workers' real income (about 1:3) was assumed to remain effective in 2031. If this ratio were unlikely


to be maintained in 2031 it would represent an even less substantial hope 30 years later. Even so, the cost of supporting the pensioners under these obviously unlikely conditions would be \$41 billion, or about 11.1 per cent of the assumed GNP. In considering this figure it might be well to remember that during World War II nearly 50 per cent of a much smaller GNP was funneled into the war effort and still our society survived in a reasonable manner on the remainder. More realistic, but still conservative figures would be a GNP of \$552 billion (in 1976 constant dollars) and a ratio of pensioners' real income to workers' real income of 1:5 (in fact it would decline to 1:9 if pensioners got none of the productivity increment). Under these conditions the cost of indexed pensions would be \$36.9 billion, or 6.7 per cent of a GNP three times greater than that achieved by the Canadian economy in 1976. Hardly a recipe for national bankruptcy. The conclusions drawn from the study were summarized in a number of propositions which included the following:

- "The indexing of pensions will have to be extended into *both* the private and public sectors if the elderly in our society are to have any hope of a decent life in their retirement years.
- "Pensions should be regarded as an *entitlement* to a constant, fixed basket of goods and services — an entitlement which is not reduced over time simply because the pensioner's money income is denominated in dollars of diminishing value caused by an inflation over which he has no control, and for which he is no way responsible.

- "The cost of *full* indexing of *all* pensions in both the public and the private sectors is relatively modest and certainly affordable.

- "The indexing problem is not an actuarial problem and it has no actuarial solution. It is an economic problem which involves, through the action of inflation, the transfer of real physical resources from the elderly and retired members of the population to the young, active members of the population — resources which will never be recovered without the intervention of government.

- "Since it is the working population with rising incomes who gain from this shift in resources, and the retired population on fixed incomes who are the losers, the use of the tax system to transfer resources *back* to the pensioners is a perfectly equitable arrangement. The federal government should therefore stand ready to fill the indexing gap in *both* the private and public sectors. This commitment would cease automatically when inflation ceases to be a problem.

- "Private pension fund moneys should continue to form a basic pool of financial capital for the investment activities of the private sector, and should not become a captive source of funds for government. But the private pension industry will need to be regulated more closely, made much more responsive to the needs of the elderly in our society, and be required to collaborate with governments in closing the present glaring gaps in the protection which they afford their own constituents." 

Federal aid for labour education

by Roy LaBerge

The Canada Department of Labour has launched a major program of support for labour education — one of the most important of the fourteen initiatives to improve industrial relations announced last Fall by labour minister John Munro (LG, June, p.251). Under an agreement, signed May 20 by Munro and Joe Morris, president of the Canadian Labour Congress, the government will provide \$2 million a year for the next five years for CLC educational endeavours. Additional labour education grants — \$600,000 for the first year alone — will be provided to unions not affiliated with the congress, to individual union members and to colleges and universities.

Munro considers an expanded and improved labour education and worker education program basic to most of the other initiatives and reforms of the fourteen-point program. "It is a prerequisite to any progress toward a more co-operative relationship between employers and workers, toward the development of industrial democracy in any form, and to the success of current efforts to devise a workable system of economic consultation," he said in a June 1 address to the annual convention of the Canadian Vocational Institute, at Mount Allison University in Sackville, N.B.

An upsurge in labour education activities is expected to result from the May 20 agreement. The CLC intends to open a national labour studies centre in Ottawa in July, and five regional centres across the country later. The

Congress already spends 10 per cent of its budget on education, mostly for week-long and weekend schools, and is a major sponsor of the Labour College of Canada, which conducts an annual eight-week residential program in the social sciences for union members. Many CLC affiliates lend instructors to the CLC schools as well as conducting their own programs. The new centres will not only serve as "umbrella" organizations for union and some college and university programs, but will also promote research and the development of teaching resources.

Munro, in announcing the agreement, said it reflects a recognition of "the national importance of sound industrial relations, and of the unique contribution of Canadian union membership to the economic and social well being of the country. Substantial public funds are already available for the development of leadership in business and industry via post-secondary institutions across the country. Nothing comparable now exists for the union side."

In his Mount Allison address, Munro pointed out that formal education has made relatively little contribution to the career advancement of people who have reached leadership or senior technical positions in the union movement in this country: "The education provided by our institutions did virtually nothing to prepare them for their role as union members, or eventually as union officers or specialists. Nor did it give them a

prior understanding of unions in our labour relations system, in the economy, in society as a whole.

"This neglect of trade union history and labour education is a serious weakness in a society that supports freedom of association and that recognizes trade unions as having an important role to play in determining the balance of economic power." It stood in marked contrast to the degree to which our colleges and universities "cater to the needs of industry and of the various professions. Schools of business administration flourish in most universities, as do schools of medicine and law."

As a result, unions have had to carry almost the entire burden of labour education within their limited resources. There are now about 3,200,000 union members in Canada, and their ranks continue to swell.

Moreover, the "growing tide of people entering the work force have no concept of what unions do and what responsibilities as well as benefits go with union membership," Munro pointed out. "The lack of basic labour education in schools cannot be compensated for in the little time available at union-sponsored meetings," he added. "Despite the best efforts of the labour movement, the vast majority of union members are ignorant of the history, functions, philosophy and objectives of trade unions."

To Munro, this is an unhealthy

situation, detrimental not only to organized labour as an institution but to all of Canadian society: "Unions are democratic organizations and, like democratic political systems, they depend for their well-being on an informed and involved electorate."

He offered two compelling reasons that Canadians should be concerned about the education of union members — the world-wide trend to industrial democracy and the current efforts to develop some form of tripartite economic consultation in Canada. Industrial democracy — the move toward some form of shared decision-making between employers and employees — would create a need for expanded educational opportunities for union members to enable them to "discharge those duties effectively." One of the preconditions for a successful tripartite system was the kind of educational programs that would predispose both union leaders and members "to a fundamental

"...neglect of...labour education is a serious weakness in a society that...recognizes trade unions as having an important role to play in determining the balance of economic powers"

change in their attitudes and their perceptions of society."

Munro aptly described the problem of attitudes: "Decades of labour-management conflict have conditioned the trade unions to look upon the employer as an enemy, as someone to be distrusted. To them, tripartism is tantamount to fraternizing with the enemy. They are afraid it will lead to a betrayal of their interests. To overcome that suspicion, we will need education programs that are much more extensive in scope than any so far provided. Labour leaders, considering the national as well as their own interest, must carry their members with them. Otherwise the

agreements reached with government and business will never be implemented at the level of the individual union and bargaining unit."

The new initiatives are not, by any means, the department's first support for labour education. It has provided grants to the Labour College of Canada since its foundation in 1963, and has also been funding the Atlantic Region Labour Education Centre at St. Francis Xavier University for several years. The department has also been involved in planning and funding a national conference on labour education and has supplied grants to the CLC for a feasibility study of a labour studies centre.

Nor is it the only part of the fourteen-point program that deals with the education of workers. The department is gathering information about present practices regarding paid educational leave for employees in Canada and other countries, and about resources available for workers who have a right to such leave. A task force will study such questions as who should be eligible for paid educational leave, how it would be paid for, and what curricula would be acceptable.

As expected, the CLC reacted positively to the new initiatives. Morris said he was happy to see Canada joining the ranks of "progressive-minded countries which have been assisting worker education in the recognition that only a system of permanent education can meet the demands of today's constantly changing society."

Morris noted that "Canadian workers, through their taxes, have contributed to the training of doctors, lawyers and other professionals. Yet these same workers



Morris and Munro: an upsurge in labour education activities is expected to result from the May 20 agreement.

have often been unable to afford to send their own children to universities which are funded from the public purse, let alone take advantage of higher education opportunities for themselves. Government assistance for workers' education programs is long overdue."

An editorial in the Toronto daily, *The Globe and Mail*, criticized the agreement with the CLC, saying that if the federal government had money to contribute to education, "let it be turned over to educators. If the CLC is an educational body, so is the Canadian Manufacturers Association." The editorial also suggested the grant was a "grace and favour" payment to co-opt the labour movement. But a column by Ron Anderson in the same newspaper said the grant should be viewed from the perspective of its intent: to encourage union members to become better informed, to make the collective bargaining process function more smoothly and to help labour unions to participate more effectively in labour affairs.

"In many European countries," Anderson wrote, "the union movement has matured to the point where the unions, management and government can hold fruitful discussions on economic matters such as productivity, competitive strength, reasonable and fair wage guidelines, industrial rationalization and modernization and capital investment. They do not always reach agreement, but at least they are willing to talk in a rational and



Munro signing agreement: basic to most of the other initiatives of Labour Canada's 14-point program

responsible manner. Canada has not yet reached this level of maturity in industrial relations. Possibly the CLC labour studies centre financed by government will help eventually to promote a healthier, less antagonistic environment for labour-management relations."

One of most telling indications of the near neglect of organized labour in post-secondary educational institutions appears in an incident Munro related in his address to the Canadian Vocational Institute:

"A trade union friend of mine tells about meeting a community

college class not too long ago. He was asked to speak for a few minutes on the role of trade unions, then engage in a question-and-answer session. The first question came from a young woman who said she had taken a job as a cashier in a supermarket the previous summer to help pay her way through college. 'I was only a temporary employee, so why did I have to pay union dues?' she wanted to know. My friend pointed out she was earning more than twice the minimum wage as a result of a collective agreement between the employer and her trade union. The bargaining efforts of the union made no impression on the student. As she sat down, she still complained about being 'ripped off' by her trade union."

Trade union members who visit secondary schools, colleges and universities have come to expect to meet students who are grossly ignorant of industrial relations in general and the trade union movement in particular. That is why the unions have been operating their own educational programs, but they are far from adequate to meet the growing need. The federal government, in supporting union education directly through its new grants, is, as the *Globe and Mail* asks, turning money over to "educators" — a corps of hard-working union educators who have devoted weekends and weekdays alike through the years to fulfilling a task they feel most educators in publicly supported schools, colleges and universities have failed to accomplish. [9]

Living Together: ECC study of regional disparities

by Ben Malkin

The Economic Council of Canada's provocative and challenging study of regional disparities, entitled *Living Together*, raises several disturbing questions:

How much is heavy regional unemployment in such areas as Quebec and the Atlantic provinces due to national policy, how much due to provincial government programs — or their lack?

How much could the unemployment situation in the most heavily-hit regions be improved if, for a time, they didn't raise their minimum wage levels?

On the same principle of trading jobs for lower wages, would there be an improvement in these regions if the federal government abandoned its policy of maintaining the same level of pay for its employees, across the country? Wouldn't it be better, from the employment viewpoint, if federal pay levels matched the pay in the private sector in any one region, instead of going ahead of it?

Stripped to essentials, the Economic Council's answer to the first question is that the provinces could do far more to reduce unemployment than they have done. Minimum wage levels shouldn't be reduced, but provinces with the worst unemployment rates should hold the line for a few years; higher employment could result. The federal government should consider changing its policy of equal pay for employees doing equal work, no matter where they

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live, and no matter the pay levels in the private sector in a given region. The result, again, could be a higher employment rate.

The recommendations on wages go counter to the goals for which the public service unions have fought. Possibly anticipating trade union opposition, the council urges the trade union movement, as well as employers' associations, to make an exhaustive study of regional disparities. Meanwhile, the council gives these reasons for its position on minimum wage levels:

"It is important to try and maintain a realistic relationship between wage levels and current productivity levels, so as not to discourage demand for labour. Setting Canadian wages higher than productivity in relation to the United States can shift jobs away from Canada into the United States, unless it is possible to make compensating adjustments to the rate of exchange between Canadian and U.S. dollars. In exactly the same way, if the wages

...the provinces could do far more to reduce unemployment than they have done

in a particular province are higher in relation to productivity than elsewhere, jobs can be shifted from that province into other provinces.

"One of the factors that helps govern the average level of wages in a province is the level of its minimum wage, as legislated by the provincial government.... A realistic approach to provincial full employment requires that minimum wages be appropriately geared to the average level of productivity within a province."

The council goes on to agree that "minimum wages may need to be reasonably high in relation to benefits attainable under social security programs, lest work incentives be harmfully affected." But it doesn't think that, if minimum levels were held, the number of people able to work but who would choose to live on welfare instead of wages is large enough to matter. At the same time, it points out that at the time its report was written, just a few months ago, minimum wages in three high-unemployment provinces — New Brunswick, Nova Scotia, and Quebec — were above those in Ontario and Alberta, with less unemployment.

Living Together suggests that in setting minimum wage levels, provincial governments with unemployment rates higher than the national average keep in mind minimum wage rates in provinces with jobless rates lower than the national average.

The council's second very controversial view on wage rates deals with federal pay policy. Again, for the council the goal is the removal of regional disparities in unemployment levels.

"Paying a national rate makes economic sense if it is needed to obtain qualified people but, if it is not, the practice is likely to create unnecessary unemployment in the lower-productivity provinces, for reasons analogous to those given in connection with minimum wages.

Minimum wages should be geared to the level of productivity

"Like the latter, federal wages can sometimes be taken as a standard of comparison for other wages, causing an upward drift in wage rates generally and reducing the demand for labour. The benefits of higher wages to the employed must then be weighed against the zero wages obtained by the unemployed. We would rather that the federal government stimulated employment by adopting the principle of paying what the private sector pays....

"Since the new policy, if adopted, would be a major break with present practice, it would not be unreasonable to take considerable time to bring it in, perhaps five years or more. Therefore, we recommend that the federal government very gradually move to a situation where the wages of its own employees in each province are more closely related to wages for comparable workers in the private sector."

This proposal is not only a "major break with present practice;" from the viewpoint of present practice,

it's downright heresy. But if regional disparities, and the very high level of unemployment in some provinces compared with others, are a major concern of the trade union movement and of private employers' associations, these proposals are worth studying.

The council's concern, of course, is not only with disparities in unemployment rates, but also with income disparities in the private sector. It pleads for higher productivity as the main solution to both problems. Moreover, it finds that the provincial governments have a major role to play in improving productivity, especially through their education systems. The report says:

"Our research....suggests that provincial productivity, and so income disparities, could be reduced if means could be found to narrow further the chronic provincial disparities in educational attainment. That implies not only improving the qualifications of labour force entrants by lengthening the average number of years of formal schooling, but also finding means for adults already in the labour force to upgrade and expand their education."

As evidence to support its case for improved education, the council notes that Quebec and the Atlantic provinces had an average of slightly less than 10 years of education in 1970, compared with 11 in Alberta and British Columbia. It might be argued that more capital investment per worker would be just as effective in improving productivity. But the council points out that in Newfoundland, capital stock per worker in 1973 was close to \$48,000, compared with \$34,120 per worker in Ontario. Yet output per worker in Newfoundland was much lower.

Both unions and employers should study regional disparities

The result? Investment — and new jobs — tend to flow toward the areas of high productivity, when that productivity is compared with the wages received.

Take the example of carbonated beverages used by the council in its study. Production of carbonated beverages in Ontario is 56,000 gallons per worker per year; in Nova Scotia, it is 29,000, just over half. Unless a Nova Scotia worker is getting about half the pay of an Ontario worker, it would seem to pay a Nova Scotia carbonated beverages employer to move his whole operation to Ontario, where he could produce almost twice as many burps for his buck.

That puts the council's view of the relationship between productivity, wages, and employment pretty clearly.


Besides a stronger provincial role, through improved education systems, in raising productivity and, therefore, reducing unemployment and removing regional income disparities, the council proposes two more parts for the provinces to play. They could encourage the private sector to adapt better to new technology, and they could encourage the growth of their cities, up to a population of about 1.5 million.

The council isn't at all convinced that, in adopting new, more productive and efficient technology, businessmen know best what's needed, and should be left alone. Here is the second great heresy of the report.

The employment-income trade-off

"The greater part of the income differences among Canadian regions is made up of differences in the absolute levels of wages, salaries, and profits. While these disparities are unfortunate, paradoxically they may not be large enough. Although wages, salaries, and profits in certain regions may be low, they may nevertheless, because of poor productivity, lead to prices that are too high to permit an adequate degree of competitiveness, in national and international markets. This lack of competitiveness; by restricting the potential volume of sales, can limit output, reduce the number of jobs available, and generate high unemployment rates.

"Some would deny that there is a trade-off between high incomes and low unemployment rates. If they were right, it would make choices in regional development policies much easier. We believe, however, that the possibility that they may be wrong should be acknowledged. This is not to say that it is impossible to devise policies that would simultaneously reduce income and unemployment disparities. Indeed,

programs that bring about improvements in educational levels or that provide assistance with migration within a region are examples of such policies. Any action of this kind should be vigorously pursued — subject, of course, to the proper consideration of other goals. Once this is done, there remains, in the opinion of many economists, the possibility that unemployment in a region can be reduced if the people who live there accept a lower income level or, conversely, that income levels can be raised if the region's residents accept an increase in unemployment. Our own view is that, if policy-makers should be faced with the uncomfortable choice of reducing either unemployment differences or income differences, they should opt for the former. This is simply a value judgment on our part, although we note that various levels of government are already committed to reducing unemployment. The social obligation to raise income levels is less clear." 

From the ECC study *Living Together*

"There is much evidence," says the report, "from work done on the process of adopting innovations, that some firms within individual industries adapt later than others and do less well as a result. Businessmen cannot always infallibly detect their own best interests; there are firms who follow and firms who lead. Canadian evidence is not inconsistent with the view that, as a group, the firms in some industries in low-productivity provinces are followers, on average, rather than leaders."

The council proposes that provin-

cial governments, co-operating where possible with private industry associations and trade unions, investigate "what is the

"Businessmen cannot always infallibly detect their own best interests"


best applicable technology in each provincial industry, including service industries, with a view to encouraging its adoption where it is not yet in use."

As for larger cities, "until cities reach a population of about 1.5 million, urbanization exerts a beneficial influence on manufacturing productivity in Canada independently of a region's industrial structure...."

Provinces should encourage the private sector to adapt better to new technology

"The present process of urbanization, whatever its merits or demerits from the social point of view, does appear to be desirable from the point of view of improving manufacturing productivity, with the benefit being especially marked in going from rural and semi-urban areas to towns of at least 5,000, but continuing thereafter until cities of 1.5 million or so are reached. For cities larger than this, further productivity benefits in manufacturing are not present; indeed, there is a slight decline."

For the no-growth advocates, this is a disheartening judgment. But if productivity is tied to jobs and incomes, and if urbanization (up to a point) improves productivity, bigger cities are an element in creating more and better-paying jobs. Coping with an occasional traffic jam is probably better than coping with an unemployment insurance or a social welfare cheque — for most people, anyway.

But urbanization is only one element in the council's program to remove or at least reduce, regional disparities. The report has to be seen and studied as a package. Moreover, the council admits that it may not have all the answers, and invites studies of the problem of regional disparities by other groups, including the trade unions. 

Labour legislation in Canada, 1976

Part 4 — Occupational Safety and Health

(Employment standards, LG June p. 274 was Part 3 in the series.)

by Michel Gauvin

During 1976, various changes were made to occupational safety and health legislation across the country. Among these changes, four particularly important new Acts were passed — the Occupational Health and Safety Act in Alberta, the Workplace Safety and Health Act in Manitoba, the Occupational Safety Act in New Brunswick and the Employees' Health and Safety Act, 1976 in Ontario.

Effective December 1, 1976, **Alberta** enacted the *Occupational Health and Safety Act*, which brings the accident prevention branch of the Workers' Compensation Board within a special division of the Department of Labour.

Provisions have been made for the administration and enforcement of the Act and an "Occupational Health and Safety Council" has been established, consisting of a maximum of 12 persons appointed by the Lieutenant-Governor in Council. The duties of the Council are:

- to advise the Minister on matters concerning the Act and the regulations, and on matters concerning the health and safety of workers;
- to hear appeals in accordance with the Act;
- to perform any duties and functions assigned to it by the Minister with respect to the

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administration of the Act and the regulations.

The new Act contains specifications regarding medical examinations of workers, the finding by a physician of an occupational disease designated by the regulations and the gathering of written information on substances used, stored or manufactured on a work site and also designated by regulations.

A major provision of the Act deals with the implementation of joint health and safety committees at work sites. The Minister may, by order, require that there be established at any work site a joint work site health and safety committee whose duties are described in the legislation.

The number of persons on a joint work site health and safety committee who represent the principal contractor and/or the employer(s), as the case may be, must not exceed the number of workers representatives on that committee.

No disciplinary action may be taken against a member of a joint work site health and safety committee by reason of that member performing duties and functions as a member of the committee.

The Act prohibits a worker to:

- carry out any work where there exists an imminent danger to the health or safety of that worker, or
- carry out any work that will cause to exist an imminent danger to the health or safety of that worker or another worker present at the work site, or
- operate any tool, appliance or equipment that will cause to exist an imminent danger to the health or safety of that worker or another worker present at the work site.

In the provision just described, "imminent danger" means, in relation to any occupation, a danger which is not normal for the occupation or a danger under which a person engaged in that occupation would not normally carry out his work.

No person may dismiss or take any other disciplinary action against a worker by reason of that worker acting in compliance with the Act, the regulations or an order given under the Act.

Seven sets of regulations which were formerly under the Workers' Compensation Act have been revised and issued under the Occupational Health and Safety Act.

The regulations are the:

- First Aid Regulations

- General Accident Prevention Regulations

- Safety Regulations Governing Grain Elevators, Grain Annexes, Flour Mills, Feed Mills, Seed Mills and Seed Cleaning Plants

- Lumbering Safety Regulations

- Petroleum and Natural Gas Safety Regulations

- Construction Safety Regulations

- Explosives Safety Regulations.

The Act prescribes severe penalties, including possible imprisonment, for any person who contravenes any provision of the Act or the regulations or fails to comply with an order made by the authority.

In **Manitoba**, the *Workplace Safety and Health Act* was assented to June 11, 1976. The new Act, which replaces the Employment Safety Act administered by the Workers' Compensation Board, will come into force on proclamation.

For the purpose of administering the Act, a new workplace safety and health division has been established within the Department of Labour.

The Lieutenant-Governor in Council is empowered under the Act to appoint an "Advisory Council on Workplace Safety and Health," which may advise or make recommendations to the Minister on any of the following matters:

- workplace safety and health generally, and the protection of workers in specific workplace situations;
- the appointment of consultants and advisors by the Minister; and

- any matter relating to workplace safety and health on which the Minister seeks the Council's opinion.

The Lieutenant-Governor in Council may also designate such individual workplaces or classes of workplaces in which the employer must establish a workplace safety and health committee.

The committee must consist of not less than four or more than twelve persons, of whom at least one-half must be persons representing workers other than workers connected with the management of the workplace. The workers' representatives must be appointed in accordance with the constitution of the union which is the certified bargaining agent or has acquired bargaining rights on behalf of those workers; or where there is no union, they must be elected by the workers they represent.

The duties of the workplace safety and health committee are enumerated in the Act.

In workplaces where safety and health committees are not required to be established, the Lieutenant-Governor in Council may designate such individual workplaces or classes of workplaces in which the employer must cause a worker not connected with the management of the workplace to be designated as the worker safety and health representative.

The worker safety and health representative must be appointed in accordance with the constitution of the union which is the certified bargaining agent or has acquired bargaining rights on behalf of the workers. If no such union exists, he must be elected by the workers he represents.

The worker representative must, in co-operation with a representative of the employer, perform the same duties as a workplace safety and health committee.

Where a worker in or about a workplace has reason to believe and does believe, that a condition exists that is dangerous to his safety or health in the performance of his work and he has reported that condition to his supervisor, foreman, chargehand or similar person, and he has examined the site with him, then, if the condition remains uncorrected, the worker must in writing report the condition to a safety and health officer.

A safety and health officer who has received such a report must forthwith make an examination and inquiry, and make such order as he deems necessary to remedy the condition.

No employer or any person acting on his behalf or any union may take discriminatory action against a worker for the reason that (1) he has made a report on dangerous conditions, or (2) he has refused to work or to continue to work under the conditions that he has reported and where a report of a safety and health officer indicates that the worker had reasonable and probable grounds for believing that those conditions were dangerous to his safety or health.

Where in a prosecution under the Act or in a proceeding before the Manitoba Labour Board, a worker establishes that he was subject to a discriminatory action and that he did conduct himself in a manner described in the previous paragraph, the onus is on the employer or union, as the case may be, to prove that the decision to take the discriminatory action was not in any way influenced by that conduct on the part of the worker.

Requirements have also been laid down regarding the obtaining of information in connection with the objects and purposes of the Act and provisions have been made dealing with medical examinations of workers and the establishment of an occupational health service for certain designated workplaces.

A person convicted of an offence under the Act or the regulations is liable to the fine prescribed in the legislation and may be imprisoned for a maximum term of six months.

New Brunswick has passed the *Occupational Safety Act*, which came into force on January 5, 1977. The new Act replaces the *Industrial Safety Act* and the *Logging Camps Act* and is administered by the Department of Labour and Manpower.

In the main, the *Occupational Safety Act* incorporates a revision of most of the provisions of the *Industrial Safety Act*, plus some additions.

There has been an increase in the minimum and the maximum of the fine that may be imposed on a person who contravenes or fails to comply with the Act or the regulations; such fine is applicable for each day the offence continues.

An *Occupational Safety Code* has been issued under the new Act replacing the former *Industrial Safety Code*. Among other things, the code stipulates that every employer with twenty or more employees must establish and enforce an approved safety policy requiring the establishment of a safety committee consisting of equal representation from both the employer and the employees. The duties and functions of such a committee are described in the new legislation.

Ontario has passed the *Employees' Health and Safety Act*, 1976. The Act, which is administered by the Ministry of Labour, came into force on December 16, 1976, except for a section dealing with occupational health and safety data that the Workmen's Compensation Board may be requested to furnish; this section will take effect on a date fixed by proclamation.

Under the legislation, where an employee in a workplace has reasonable cause to believe that a machine, device or thing is unsafe to use or operate because its use or operation is likely to endanger himself or another employee, or a place is unsafe for him to work in or the machine, device, thing or place is in contravention of The *Industrial Safety Act*, 1971, The *Construction Safety Act*, 1973 or Part IX of the *Mining Act*, or any regulations thereunder, as the case may be, he may refuse to use or operate the machine, device or thing, or work in the place.

An employee who makes such a refusal must immediately report the circumstances of the matter to his employer or the person having control and direction over him, who must forthwith investigate the report in the presence of the employee and, if there is such, in the presence of either a health and safety representative, a joint health and safety committee member who represents employees, or a person authorized by the trade union concerned.

Where the employer or the person having control and direction over the employee disputes the report or takes steps to make the machine, device, thing or place safe or comply with the appropriate legislation, as mentioned earlier, and the employee has reasonable cause to believe that the condition is still unsafe, he

may continue to refuse to use or operate such machine, device or thing or work in such a place unless a collective agreement binding the employee expressly provides otherwise.

Where the employee continues to refuse to use or operate the machine, device or thing, or work in the place, or having returned to work in compliance with the express provisions of a collective agreement files a grievance concerning his right for such a refusal, the employer or person having control and direction over the employee must notify an inspector or an engineer appointed under the appropriate legislation, as the case may be, who must investigate the matter in the presence of the employer or the person having control and direction over the employee, the employee and, if there is such, either in the presence of a health and safety representative, a joint health and safety committee member who represents employees or a person authorized by the trade union concerned.

Following his investigation, the inspector or engineer must make a decision as to whether an unsafe condition exists.

The Minister may, by order in writing, require an employer to establish a joint health and safety committee or committees for a workplace or any part(s) thereof.

A joint health and safety committee must consist of such number of persons as the Minister may prescribe, of whom half must be employees who do not exercise managerial functions to be selected by the employees they are to represent or, by a trade union or trade unions when it or they represent such employees.

The functions and powers of the committee are described in the legislation and include the obtaining of information from the employer or other persons respecting (1) the identification of potential or existing hazards of materials, processes or equipment, and (2) health and safety experience and work practices and standards in the same or similar industries.

Other provisions of the Act deal with the power of the Minister to require the selection of one or more health and safety representatives from among the employees who do not exercise managerial functions.

An employer is required to permit a health and safety representative, if any, an employee authorized by a trade union or trade unions, if any, or where there is no trade union, an employee authorized by the employees to represent them, to accompany an inspector or engineer during his physical inspection of a workplace or any part(s) thereof.

Where there is no health and safety representative or authorized

representative, the inspector or engineer must consult during his physical inspection, with a reasonable number of the employees concerning matters of health and safety at their work.

No employer or person acting on his behalf may:


- dismiss or threaten to dismiss an employee;
- discipline or suspend or threaten to discipline or suspend an employee;
- impose any penalty upon an employee; or

- intimidate or coerce an employee, because the employee has acted in compliance with the Act.

An employee who complains that an employer has contravened the provision just described, may either have the matter dealt with by final and binding settlement by arbitration under a collective agreement, if any, or file a complaint with the Ontario Labour Relations Board.

On an inquiry by the Board into such a complaint, the burden of proof that there was no contravention of the appropriate provision of the Act lies upon the employer or person acting on his behalf.

Every employer who (1) fails to comply with an order made under the provisions of the Act dealing with the establishment of a joint health and safety committee or committees or the selection of one or more health and safety representatives, or (2) contravenes a provision of the Act, is guilty of an offence and is liable, on summary conviction, to a maximum fine of \$10,000 or to imprisonment for a term of not more than 12 months, or to both.

The administration of Part IX "Operation of Mines" of The Mining Act has been transferred from the Ministry of Natural Resources to the Ministry of Labour, except for a section of the Act dealing with statistical returns. Also, The Silicosis Act is now administered by the Ministry of Labour; formerly the Ministry of Health was the enforcing authority. 

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: October, November, December.

1976: March, April, May, June, July, August, September,

October, November, December.

1977: January, February, March, April, May

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

comment

A critique of industrial democracy at Supreme Aluminum

While the program of worker participation at Supreme Aluminum Limited has never been promoted as one of workers' control or self-management, it has serious problems even as a more limited form of participation. They suggest that there may be real limitations to workers' participation in any program that is initiated primarily by management in a non-union company.

The first problem relates to the actual power over decisions that is held by the worker-management council, called SAFER — the Supreme Association for Effective Results. Although management has retained absolute control over certain decisions (See Lush, LG June 1977, p.279), it has allowed for worker participation in many areas where it is not generally accepted elsewhere — for example in the assignment and transfer of employees to jobs, and in methods of production. The problem is in determining just what the role of the governing body is in making these decisions in the two kinds of issues in which it may participate — those specifically covered by the SAFER agreement and those not covered by the agreement but which, according to the agreement, are open to participative decision-making.

The issues covered specifically by the agreement are quite similar to those covered by a standard union-management collective agreement — grievance procedure, hours, job classification and wages, vacations, benefits, safety, employment opportunities, layoffs, and manage-

ment rights. And the formal method of decision-making on these issues is also similar to that used in a standard union-management situation. At Supreme, the company has retained the formal right to accept or reject any terms of the agreement recommended to it by the governing body. For example, the company rejected the governing body's 1976 wage decision and reopened negotiations — which meant that the final decision was actually made through negotiations between senior management and the governing body chairman (who also happens to be the industrial relations manager).

The powers of the governing body are even less clear with respect to issues not covered by the agreement — for example, methods of production. The wording of the agreement in relation to these issues is so vague that in most cases the governing body, and the individual representatives, are guaranteed little more than some form of consultation. Although the governing body can theoretically share in decisions on job assignments and transfers, changes in the size of the workforce, and operating speeds and methods of production; in practice such decisions are usually made exclusively by management.

In most cases, the issues are brought before the governing body as well-prepared proposals by a management representative, and are usually accepted with, at most, minor modifications. In a smaller, but growing number of cases, a worker representative will raise an

issue on which the governing body will make a recommendation to management. Management has accepted the governing body's recommendations in most cases. However it is possible for management to "sit on" a recommendation long enough for it to become ineffective or for concern over it to disappear.

The second problem at Supreme relates to the actual power the worker representatives have over decisions. Is it true that the non-supervisory employees can out-vote management on any issue?

For workers to be able to out-vote managers, they need to be able to assess the issues independently, to argue effectively for their position against management and to vote against management. However, many workers on the governing body are unable or unwilling to do these things.

Most of the workers have no experience in dealing with management-level information. Their lack of business expertise leaves them confused by the information management presents to them, which they frequently don't receive until the meeting. In their confusion, many workers simply defer to "management expertise" and support whatever position management proposes. Moreover, most of the workers have had little opportunity to develop their debating skills — particularly for use in a formal or semi-formal setting. Many are intimidated by the presence of their superiors and do not have the confidence to speak out. Half of the non-supervisory representatives on the present governing body virtually never participate in discussions.

Books

Crisis in the Workplace: Occupational Disease and Injury:

A Report to the Ford Foundation.
by **Nicholas A. Ashford**,
MIT Press, Cambridge, Mass.,
1976, 589 pp.

Crisis in the Workplace presents a comprehensive and incisive description of the nature and incidents of hazards in the workplace in the United States, and a first hand account of experience in Europe with occupational safety and health problems. More than half of the text deals with the U.S. Occupational Safety and Health Act (1970) and its implications.

It effectively draws to public attention the threats to the environment of the workplace.

Ashford suggests that some of the prevention and control methods used in Europe offer object lessons that could be used in the U.S. He notes the need for change in "society's concept of equity" — and a need for change in the "operating philosophy of the firm". These changes have occurred in Europe where concern for workers' health and safety has a much longer history than in the United States, and, labour and management have learned to operate in a co-operative rather than an adversary environment. Further, in Europe there is more consultation between government and management, inspectors are better qualified and the standard setting bodies have more status, resources and autonomy.

The author emphasizes that the

issues of safety and health in the workplace cannot be divorced from other societal concerns. For example, he writes, "the growing debate over health care and preventive medicine cannot proceed far without encountering the probable occupational causation of a surprising proportion of disease. Problems of industrial productivity, work alienation and management-labour disputes relate increasingly to occupational health and safety. In addition, the monetary costs of job injury and disease are beginning to be more fully realized and deserve closer attention during a period of inflation and of material and energy shortages."

Identification and resolution of conflicts that interfere with attainment of the ideal environment are prerequisite to the implementation of effective

preventive efforts. Based on insights that the study reveals, the author offers constructive, realistic action goals for government, labour, management and public interest groups to improve safety and health in the workplace.

The absence of Canadian content from this otherwise useful reference detracts from its practical value for Canadians having responsibility for providing a safe and healthful work environment. Nevertheless it cannot be read without realizing the sense of enormity and pervasiveness of workplace hazards. For this alone, the text deserves wide reading in Canada.

— **H.M. Douglas**

H.M. Douglas is Senior Co-ordinator, Loss Control at Imperial Oil Limited, Toronto

Essays in Canadian Working History

by **Gregory S. Kealy** and
Peter Warrian eds., Toronto,
McClelland and Stewart Ltd.,
231 pp.

This collection of eight essays represents a growing recognition of the significance of the working class in the social and economic development of Canada, a recognition slow to mature in print but necessary. As the editors observe, these essays are an attempt to redefine "labour history" as "working class history," where the working class ceases to be merely

a cog in the wheel in Canadian labour history but the wheel which set it in motion. Whether labour history should be equated in a vacuum to working class history remains questionable. Nevertheless, the editors' Marxist, social historical focus represents an illuminating and interesting break from the past where they knowledgeably note labour history was equated "to a category of political economy, a problem of industrial relations, a canon of saintly working class leaders, a chronicle of union locals, or a chronology of militant strike actions."

These essays study the period between 1850 and 1925 when

Canada experienced her Industrial Revolution. The editors divided this seventy-five year period into three revolutionary stages of working-class struggle and thus labour history. Aligned to their Marxist perspective, Warrian and Kealy view these stages alongside the entrenchment of industrial capitalism through the detailed control of the workplace by means of scientific management. The editors view the first stage as comprising the years from 1850 to the mid 90s. This stage they note "represents a transitional period in which workers learned the new rules of industrial society and created their own defensive institutions and the arrival of socialism as a political option." The third and final stage according to the editors begins in the mid 1920s, representing an overtly syndicalist and militant working class response" to the entrenchment of industrial capitalism.

Four of the essays are concerned with exploring the transitional period, 1850-1895. They are wide-ranging in subject, focusing on specific local topics such as the riots in Toronto inspired by the Orange Order, the Knights of Labour and the radical *Toronto News* in the 1880s, the relationship between literacy and job status, and housing in Hamilton from 1852 to 1881. The next two essays focus on the second stage of working class history, exploring the strengths and weaknesses of the old artisan culture when faced with the entrenchment of industrial capitalism. Finally the last two essays deal with the third stage centering on the early twentieth century labour struggles at Lakehead and Cape Breton. Specifically these essays deal with class conflict and the relation between ethnicity and violence.

The book offers penetrating insights on working conditions of

the past. It exposes an unequal society of masters and men. Employee and public authorities, backed by the police and at times by the military, used their corporate power to control labour and oppose the formation of unions. In re-evaluating the essays, however, one is struck by the need for a great deal of further research on the conditions and struggles of working people. The essays are uneven, they vary greatly in depth, breadth and quality. They seem to be strung together within the cover of the book without any meaningful overarching knot. In other words, this book fails to present any synthesizing view of Canadian working class history. Furthermore the editors' Marxist orientation, leaves little room for alternative interpretation of labour history. Nevertheless this collection of essays represents an exhilarating sign of our times of change of work being done on largely neglected areas of our social past. Indeed, as stated earlier, whether working class history can be equated to labour history remains questionable, yet it is about time we recognized the role that ordinary working men and women play in shaping Canadian labour history. It is often the struggles and ideas of ordinary people that make history. This book at least offers a beginning; a sign of progress.

—Nancy Gibbs

Ottawa

Which Way Ahead? Canada After Wage and Price Control

Michael Walker, editor,
Vancouver, The Fraser Institute,
1977, 333 pp.

Fifteen prominent Canadian economists discuss a range of issues relating to controls and decontrol.

Their consensus: controls should be abandoned but a commission should be established to set wages in areas of the public sector that provide vital services.

Strikes and Lockouts in Canada 1974-75

This 227-page Labour Canada publication includes a comprehensive record of statistics of strikes and lockouts occurring during the 1974-75 period and lasting 10 or more man-days. As well as historical comparisons in several categories, it presents the 1974-75 statistics of stoppages by jurisdiction, month, contract status, number of workers involved and duration in man-days.

It also presents a list of larger stoppages — involving 100 or more workers — arranged by industry and commencement date, and naming the employers and unions involved, the commencement and termination dates, and the issues reported.

The publication was prepared by the department's Labour Organizations and Labour Disputes Division, with the co-operation of the Canada Manpower Centres and the provincial departments of labour.

OEB brochure

The Occupational Environment Branch of the B.C. Ministry of Labour has prepared an attractive brochure outlining the branch's functions and services. The services include on-site inspection of employee facilities, labelling of health hazards, investigating complaints and consultation for designers, builders, employers and employees. Copies of the brochure are available from any of the branch's regional offices.

Research Notes

Adult education

Learning Opportunities for Adults, O.E.C.D., Paris, 1977.

The main theme of this paper is that the provision of a well endowed, nation-wide adult education service has become an essential policy requirement in all modern societies — for social and economic, as well as cultural reasons.

The paper first examines the status of adult education, and highlights the gaps in existing national and local provision, emphasizing in particular the need for stimulating the interest of disadvantaged groups in educational programs. The main body of the paper is then devoted to an examination of the problems associated with the development of a comprehensive adult education system. Finally the report considers the policy options available to O.E.C.D. member countries, based upon an analysis of the existing relationships between adult education on the one hand, and the formal education system and the world of work on the other.

Industrial democracy: Germany

Workers' Participation in Management in West Germany: Impact on the Workers, the Enterprise and the Trade Union, R.J. Adams and C.H. Rummel, McMaster University, Faculty of Business Research Series No. 117, 1976.

The study sets out to provide a systematic critical review of the

operation of the German system of worker's participation, with particular reference to the extent to which workers' interests have been protected and advanced, the effects on enterprise performance, and the impact on trade unions. The authors suggest that for most workers the benefits of participation have been substantial, particularly in the co-determination industries of coal and steel. However, women, foreign and unskilled workers, and workers in small firms appear to have been exceptions. The authors consider that there is no evidence to suggest that participation has impeded technological and organizational change. Indeed, they suggest that entrepreneurial risk may actually have been reduced, and modern methods for the management of human resources initiated as a result of participation. As far as the status of unions is concerned, participation does not appear to have supplanted collective bargaining and has not in any sense made trade unions redundant. The authors conclude that while participation has not been a panacea it has nevertheless made a significant contribution to improving management-worker relations and reducing overt conflict.

Labour force

The Impact of Economy-wide Changes on the Labour Force: An Econometric Analysis, T. Siedule, N. Skoulas and K. Newton, Economic Council of Canada, 1977.

The study employs a modified

version of the CANDIDE econometric model to provide detailed information on the reaction of various age and sex groups of the labour force to factors such as cyclical variations in the economy, changes in government expenditure policy, and the 1971 changes to the Unemployment Insurance (UI) Act. The analysis suggests that men aged over 25 and women over 45 have benefited in terms of increased employment opportunities as a result of fiscal stimulus to the economy, as well as from the changes in the UI Act. By contrast workers of both sexes aged 14-19, and women aged 20-24 and 25-44 experienced higher unemployment following the revisions to the Act. Similarly males aged 14-19 and females aged 20-24 and 45-64 appeared to be worse off in employment terms when government expenditure was increased. The authors observe that in both cases net increases in unemployment occurred because improved economic conditions encouraged more people in these age-sex groups to enter the labour market than could actually find jobs. Thus, while there was some increase in employment it was not sufficient to absorb the growth in participation rates. The authors also suggest that while labour force growth is likely to slow over the 1975-82 period, persons from these more volatile age-sex groups are likely to constitute an increasingly large proportion of the workforce. The study concludes by emphasizing the need for the development of a more adequate understanding of the structural characteristics of the unemployed labour force as a necessary adjunct to the development of government policy.

Low-wage workers

A Profile of Low-Wage Workers in British Columbia, C. Aykroyd and P. Stanton, B.C. Ministry of Labour, March 1977.

The report provides an analysis of B.C. low-wage data based on a survey carried out in 1975, and parallels similar surveys done in Alberta, Ontario and Quebec. Though the paper confines its attention to a simple description of the personal and labour market characteristics of low-wage workers, (defined as persons earning less than \$4.00 per hour), and makes no attempt to provide theoretical explanations, it nevertheless provides a useful profile of the "secondary" labour force.

The main findings were that over two-thirds of those classified as low-wage earners were women, and over half were under 25. Slightly more than half of the low-wage registrants were single and over 80 per cent had no dependants. Over 80 per cent of the sample had some high school education or better, while a significant proportion had university or other advanced education. The report also notes that the high proportion of young low-paid workers may point to deficiencies in vocational or on-the-job training as important barriers to the transition from school to higher paying employment (c.f. Youth Unemployment, Research Notes). Recent immigrants to the province did not appear to hold a disproportionate number of low-wage positions.

Two thirds of the sample, and almost 80 per cent of low-wage women had clerical, sales or service occupations, while the industrial distribution indicated that two thirds of low-wage workers were found in service and trade sectors, with manufacturing and primary industry under-repre-

sented. Data limitations precluded an accurate analysis of the reasons for the observed high labour turnover amongst low-wage workers, however the report suggests that the bulk of job leaving was involuntary, contrary to the popular belief that low-wage workers do not have a high degree of attachment to the labour force.

Multinationals

Multinational Corporations and Industrial Relations: *the case of West Germany and the Netherlands*, G.B.J. Bowers and R.B. Peterson, British Journal of Industrial Relations, March 1977.

The paper presents the results of a comparative study of the impact of multinational corporations on the industrial relations systems of West Germany and the Netherlands. The authors suggest that the activities of multinationals have been constrained in both countries by economic forces and institutional factors, as well as by the existence of strong trade unions. In both countries, unions appear to have made significant progress toward international co-operation through consultation and the exchange of information; however, the authors conclude that serious obstacles still exist to the development of a fully coordinated international response to multinationals.

Strike activity

The Determination of Relative Strike Activity, R. Swidinsky, University of Guelph, Ontario, 1977.

A significant amount of research effort has been devoted to the analysis of relative strike frequency in both the U.S. and the U.K. As yet, little attempt has been

made to extend this analysis to Canada, however. This paper seeks to remedy the situation by providing a systematic analysis of the determinants of relative strike frequency using inter-industry and inter-union data derived from a cross-section of 20 manufacturing and 16 non-manufacturing industries over the period 1968-1972. Attention is focused primarily on hypotheses relating to bargaining structure as indicated by the degree of fragmentation of collective bargaining, union size and organization, the prevailing "sociological" environment as proxied by the proportion of women in the industry's unionized labour force, and union-management relations as proxied by union density and the rate of change of union membership. Economic factors such as the degree of market concentration, firm size, type of payment system and the form of technology are largely ignored, a fact which must cast some doubt on the validity of the specified model.

The analysis is carried out in terms of four separate dimensions of strike activity, namely the number of strikes per union local, worker involvement as expressed by the ratio of workers involved to union membership, relative man-days lost per union member, and average strike duration. Judged according to normal statistical criteria the results obtained are not good. Only in the case of the regressions using annual average number of strikes per union local are the results at all convincing, suggesting that both fragmented bargaining and larger union locals are associated with increased strike frequency, while a high proportion of women in the unionized labour force is associated with a lower strike frequency. On the basis of these findings the author proceeds to a brief analysis of the implications

for Canadian industrial relations policy. Specifically, it is suggested that labour relations boards should be encouraged to give preference to the certification of smaller union locals while at the same time encouraging unions and employers to enlarge the size of the bargaining unit through the formation of multi-union and multi-employer associations. Neither policy prescription necessarily follows from the empirical evidence presented in the paper.

Youth unemployment

The Entry of Young People into Working Life, O.E.C.D., Paris, 1977.

Part I of the report sets out to investigate the problems associated with the integration of young people into working life.

This is achieved via an analysis of recent trends in youth education, attitudes and aspirations, as well as an examination of how these factors have been related to the evolution of employment requirements. Major problem areas are considered to be the nature of the education and training provided by the school system, lack of adequate guidance and counselling about jobs, transitional problems and relatively rigid employment structures. Part I concludes with a series of proposals relating to both education and employment which call for a more explicit public responsibility toward all young people beyond school-leaving age in order to facilitate greater access to established jobs, and to create new bridges between school and work. The second part of the report reviews the various cyclical

measures that have been adopted by governments to reduce youth unemployment, and tentative conclusions are drawn concerning their likely efficacy. In particular, attention is paid to the extent to which these measures accord with the requirements of long-term strategies for dealing with structural unemployment. It is concluded that their success depends very much upon the extent to which these measures respond to the expectations of both young people and employers. Finally it is argued that short term expedients such as unemployment payments or social programs are likely to provide complementary but essentially palliative remedies.

*The foregoing notes were prepared by
Labour Gazette associate editor
Robert Davies.*

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Collective bargaining

Richardson, Reed C. *Collective bargaining by objectives: a positive approach*. Englewood Cliffs, N.J., Prentice-Hall, 1977. 387p.

A concrete text on how to apply Management by Objectives to collective bargaining. Covers collective bargaining history, theory, law, participants, the

contract, negotiation process, grievances, grievance procedures and arbitration. A discussion of new developments in conflict resolution is included. Public sector bargaining is given equal treatment with the traditional private sector bargaining. Bargaining games are provided.

Discrimination in employment

Kranz, Harry. *The participatory democracy; women and minorities in a more representative public service*. Lexington, Mass., Lexington Books, 1976. 245p.

Smith, Arthur B., *Economic pressure in support of unlawful employment discrimination claims*,

by Arthur B. Smith. Ithaca, N.Y., 1976. p.368-415. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 402)

Guaranteed annual income

Rossi, Peter Henry. *Reforming public welfare: a critique of the negative income tax experiment*, by Peter H. Rossi and Katharine C. Lyall. New York, Russell Sage Foundation, 1976. 197p.

The New Jersey-Pennsylvania Income Maintenance Experiment was designed to observe whether various income tax plans carried out over three years in four communities would lead to

reduced work effort on the part of those who received subsidies. This study evaluates the conduct of the field investigation and shows that the experiment is a considerable achievement in testing a specific social policy prior to enactment into law.

Jubilee for our times — a practical program for income equality, edited by Alvin L. Schorr. New York, Columbia University Press, 1977. 320p.

Suggests a comprehensive, pluralistic strategy designed to increase significantly the income of the poorest fifth of the U.S. population. Discusses in detail recommended steps to be taken in employment programs, federal taxation, social security, health programs and welfare to redistribute funds presently being spent in transfer programs.

Industrial democracy

Great Britain. Committee of Inquiry on Industrial Democracy. *Report*. London, H.M.S.O., 1977. 205p. (Great Britain. Parliament. Papers by command. Cmd 6706) Chairman: Lord Bullock.

Industrial relations — Civil servants

Nesbitt, Murray B. *Labor relations in the federal government service*. Washington, Bureau of National Affairs, 1976. 545p.

Explores the origins and consequences of the new industrial relations program initiated by the U.S. federal government in the early 1960s which sought to provide federal employees with a greater opportunity to participate in the administration of their jobs. The four sections of the book deal with: the history of U.S. public

employee unionism; the theoretical aspects of public sector labour relations; the basic clauses in federal contract negotiations; and the history of, and issues surrounding, public employee strikes.

Labour organization

Bain, George Sayers. *Union growth and the business cycle; an econometric analysis*, by George Sayers Bain and Farouk Elsheikh. Oxford, Eng., Basil Blackwell, 1976. 155p.

Attempts to assess the extent to which patterns of union growth can be related to the business cycle and, in particular, to such individual components of the cycle as the cost of living, unemployment and wages. Presents various existing econometric models of union growth, then proposes an alternative model which is free of the various weaknesses of those previously examined. Tests the general validity of the model's basic hypotheses by attempting to apply them to various countries.

Clegg, Hugh Armstrong. *Trade unionism under collective bargaining; a theory based on comparisons of six countries*. Oxford, Eng., Basil Blackwell, 1976. 121p.

Examines differences in the structure of collective bargaining in six countries in an attempt to show how such differences account for variations in union behaviour from one country to another. Differences in union membership, structure, government, workplace organization, strike patterns and attitudes to industrial democracy are studied as the result of collective bargaining differences among the six countries.

Dupont, Pierre. *Les syndicats en crise*; un dossier, par Pierre

Dupont et Gisèle Tremblay. Montréal, Les éditions quinze, 1976. 152p.

Labour organization, international

Windmuller, John Phillip. *European regionalism; a new factor in international labour*, by John P. Windmuller. Ithaca, N.Y., 1976. p.36-48. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 403)

Labour statistics

International Labour Office. *International recommendations on labour statistics*. Geneva, 1976. 131p.

Maternity benefits

Canada. Advisory Council on the Status of Women. *Maternity leave and benefits: a study of federal laws and recent amendments concerning job security for pregnant women and their entitlement to maternity benefits*, prepared by Elsie Robindaine-Saumure. Ottawa, 1976. 47p. Titre en français: *Congés et prestations de maternité: étude des lois fédérales et de leurs modifications récentes pour ce qui concerne la protection de l'emploi des femmes enceintes et leur accès à des prestations de maternité*.

A discussion of the jurisdictional complexity of legislation dealing with maternity leave, and job security during this leave, and of recent amendments to relevant federal statutes.

Migrant labour

Grant, E. Kenneth. *The economic causes and effects of migration: Canada, 1965-71*, by E. Kenneth

Grant and John Vanderkamp. Ottawa, Economic Council of Canada, 1976. 124p. Titre en français: *Les causes et les effets économiques des migrations au Canada, 1965-71*.

Social indicators

Organization for Economic Co-operation and Development. Working Party on Social Indicators. *Measuring social well-being: a progress report on the development of social indicators*. Paris, OECD, 1976. 213p.

Unemployment

Jobs for Americans, edited by E.

Ginzberg. Englewood Cliffs, N.J., Prentice-Hall, 1976. 210p.

Wage policies

Conference Board. *Compensating employees: lessons of the 1970s*, by David A. Weeks. New York, 1976. 73p.

Wages and hours

Shaffner, Richard. *The quest for farm income stability in Canada*. Montreal, C.D. Howe Research Institute, 1977. 27p. (C.D. Howe Research Institute. HRI observations no. 14)

food, increased by 1.0 per cent in the latest month, while that for services rose by 0.4 per cent. Seasonally adjusted, the all-items CPI advanced 0.6 per cent between April and May. This included a 1.1 per cent rise in the food index and a 0.5 per cent increase in the index for all-items excluding food.

Employment, May

The seasonally adjusted employment level in May was 9,749,000, an increase of 86,000 from April, Statistics Canada reported. The level for women 25 years of age and over increased by 50,000, and for women aged 15-24 by 6,000. Among men 25 years of age and over, and those aged 15-24, there were increases of 15,000. By province, the seasonally adjusted employment level increased in Newfoundland by 10,000; in Quebec by 17,000; in Ontario by 29,000; and in British Columbia by 27,000. It decreased in Alberta by 4,000, and showed little or no change in the remaining provinces.

Unemployment, May

The seasonally adjusted unemployment rate for May (841,000) decreased by 0.4 per cent to 7.9 per cent in May. It declined in all major age-sex groups — by 0.3 per cent to 14.5 per cent for men aged 15-24; by 0.5 per cent to 13.5 per cent for women aged 15-24; by 0.2 per cent to 5.0 per cent for men 25 years of age and over; and by 0.4 per cent to 7.0 per cent for women 25 years of age and over.

By province, the seasonally adjusted unemployment rate declined by 2.0 per cent to 14.7 per cent in Newfoundland; by 0.6 per cent to 10.6 per cent in Nova Scotia; by 0.8 per cent to 12.2 per cent in New Brunswick; by 0.1 per cent to 7.3 per cent in Ontario; by 0.6 per cent to 6.1 per cent in

tially offset these increases. The index for food consumed at home rose 1.7 per cent in the latest month.

Increased shelter charges for both owned and rented accommodation, as well as higher prices for furniture and other household items, were responsible for a large proportion of the 0.5 per cent rise in the index for all-items excluding food. Other contributing factors included widespread price increases for beer and liquor, barbering and hairdressing services, and garden supplies, and slightly higher prices for new automobiles.

In terms of goods and services the price level of goods, including

Consumer, May

The all-items Consumer Price Index for Canada (1971 = 100) advanced 0.8 per cent to 159.2 in May from 157.9 in April, and was 7.6 per cent higher than in May a year ago. One half of this latest increase was due to a 1.4 per cent rise in the food index — the fifth successive month in which the index has registered a relatively sharp advance. The latest increase was mainly because of higher prices for beef products — up 4.6 per cent on average in the latest month — for fresh produce, coffee, sugar and butter. Lower prices for restaurant meals, resulting mainly from the introduction of higher sales tax exemption levels on meals in two provinces, par-

PRICES, EMPLOYMENT, AND EARNINGS

Manitoba; by 0.1 per cent to 4.2 per cent in Alberta; and by 1.3 per cent to 7.8 per cent in British Columbia. The rate increased by 0.9 per cent to 10.6 per cent in Prince Edward Island; by 0.2 per cent to 10.0 per cent in Quebec;

and by 0.2 per cent to 5.7 per cent in Saskatchewan.

Earnings, March

Average weekly earnings in Canadian industry were \$243.44 in

March, an increase of 9.8 per cent from \$221.76 a year ago. Compared with March 1976, average hourly earnings increased 12.4 per cent in construction, 11.3 per cent in manufacturing and 9.0 per cent in mining.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.50 effective July 1, 1976 \$2.70 effective July 1, 1977
Québec	\$3.15 effective July 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.20 \$2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: \$2.95	July 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended April 16, 1977		10,340	+ 0.4	+ 2.5
Employed.	April 1977	9,425	+ 0.8	+ 1.2
Agriculture.	" "	471	+ 9.2	+ 5.6
Non-agriculture.	" "	8,974	+ 0.3	+ 1.2
Paid workers	" "	9,297	+ 0.19	+ 10.6
At work 35 hours or more.	" "	5,625	+ 17.7	+ 68.6
At work less than 35 hours.	" "	3,286	+ 67.5	+ 40.1
Employed but not at work	" "	514	- 7.7	+ 6.6
		(change in thousands)		
Unemployed	April 1977	914	- 30	+ 145
Newfoundland.	" "	35	+ 2	+ 7
Nova Scotia.	" "	41	- 2	+ 8
Prince Edward Island	" "	7	- 1	+ 1
New Brunswick.	" "	38	- 3	+ 5
Quebec.	" "	287	- 12	+ 49
Ontario.	" "	300	- 12	+ 51
Manitoba.	" "	31	- 1	+ 11
Saskatchewan.	" "	25	- 1	+ 8
Alberta.	" "	41	- 6	+ 6
British Columbia.	" "	109	+ 3	- 1
Without work, seeking work and available for work	" "	807	- 42	+ 137
		percentage change		
INDUSTRIAL EMPLOYMENT (1961 = 100) ^r	January 1977	140.0	- 2.0	+ 0.8
Manufacturing employment (1961 = 100) ^r	" "	123.5	- 0.9	- 0.5
IMMIGRATION	Calendar year 1976	149,429	—	- 20
Destined to the labour force	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.	March 1977	127	+ 19.8	- 19.2
No. of workers involved	" "	23,153	+ 24.4	- 86.6
Duration in man days	" "	198,240	- 0.7	- 54.2
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	January 1977	239.34	+ 2.3	+ 10.3
Average hourly earnings (mfg.) ^r	" "	6.11	+ 1.5	+ 12.7
Average weekly hours paid (mfg.) ^r	" "	38.5	+ 0.8	- 0.5
Consumer price index (1971 = 100)	April 1977	157.9	+ 0.6	+ 7.6
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^r	January 1977	152.7	+ 0.5	+ 5.2
INDUSTRIAL PRODUCTION†				
Total (average 1971 = 100)	March 1977	122.4	- 0.1	+ 3.1
Manufacturing.	" "	121.2	+ 0.4	+ 2.0
Durables.	" "	123.4	+ 1.5	+ 2.4
Non-durables.	" "	119.1	- 0.6	+ 1.6
NEW RESIDENTIAL CONSTRUCTION**				
Starts	March 1977	9,616	—	- 24
Completions	" "	14,509	—	- 54
Under construction.	" "	157,628	—	+ 6

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

†Advance data

‡Preliminary

**Centres of 10,000 population or more

^r Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, MARCH 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971.....	547	569	239,631	2,866,590	0.16
1972.....	556	598	706,474	7,753,530	0.43
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976*.....	913	1,030	1,582,631	10,624,130	0.50
1976*					
March.....	83	157	172,608	432,270	0.23
April.....	75	153	303,957	669,470	0.38
May.....	96	168	265,912	653,010	0.38
June.....	125	233	187,524	1,131,820	0.59
July.....	69	183	78,020	1,271,320	0.68
August.....	78	193	89,791	942,950	0.50
September.....	54	175	136,027	1,738,990	0.97
October.....	49	155	904,953	1,646,500	0.92
November.....	39	129	51,260	491,380	0.26
December.....	37	120	45,352	258,990	0.14
1977*					
January.....	40	95	26,820	201,700	0.12
February.....	39	106	18,605	199,440	0.12
March.....	63	127	23,153	198,240	0.10
January-March 1977.....		197		599,380	0.11
January-March 1976.....		290		1,819,700	0.35

*Preliminary

WORK STOPPAGES BY INDUSTRY, MARCH 1977(Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to March)
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	0
Forestry.....	0	1	231	5,310	6,470
Fishing.....	0	0	0	0	20,300
Mines.....	3	6	1,184	7,010	56,290
Manufacturing.....	21	55	10,324	112,280	330,300
Construction.....	5	10	2,205	18,550	25,500
Transp. & Utilities.....	11	16	3,305	9,470	24,250
Trade.....	3	11	384	5,620	16,830
Finance.....	2	3	270	1,270	3,320
Service.....	11	17	3,958	37,010	111,270
Public Admin.....	7	8	1,292	1,720	4,850
Various industries..	0	0	0	0	0
TOTAL.....	63	127	23,153	198,240	599,380

WORK STOPPAGES BY JURISDICTION, MARCH 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to March)
		Number	Workers involved	Duration in man-days	
Nfld.....	1	4	1,731	18,230	77,330
P.E.I.....	0	0	0	0	0
N.S.....	1	3	109	150	370
N.B.....	5	5	1,533	2,570	2,970
Québec.....	18	49	9,783	107,540	299,390
Ontario.....	18	36	3,495	40,070	141,970
Manitoba.....	0	1	145	3,340	12,010
Saskatchewan.....	7	7	1,051	1,680	5,030
Alberta.....	1	3	154	2,770	14,430
B.C.....	2	5	1,907	3,500	13,300
Yukon & N.W.T.....	0	0	0	0	0
Total, provinces....	53	113	19,908	179,850	566,800
Federal Public Service(1).....	6	6	1,065	1,590	1,590
Federal Industries(2).....	4	8	2,180	16,800	30,990
Federal total.....	10	14	3,245	18,390	32,580
TOTAL.....	63	127	23,153	198,240	599,380

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1974-75 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1975.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

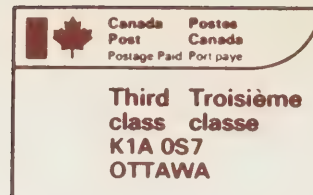
Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 50,000 selected holdings of Technical Library. Accident Prevention Division, 1976. Free.

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**Labour
Canada**

**Travail
Canada**

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WORK STOPPAGES

B.C. labour board ruling

The British Columbia Labour Relations Board has ruled that strikes against rollbacks ordered by the Anti-Inflation Board are illegal. It says strikes may still be permitted over disagreements about how the total amount of compensation within the anti-inflation guidelines is distributed or on other matters outside the scope of the guidelines. But strikes are not permitted whose objective is to force an employer to go beyond settlement terms approved by the AIB.

The decision comes rather late in the day, in view of the possibility of disbandment of the guidelines either later this year or early next year, before they've run their full three-year term. But it nevertheless delineates the scope of union options should the government ever feel compelled to introduce controls again.

It is also in marked contrast with a Canada Labour Relations Board ruling in the case of a four-month strike by workers at the Cyprus Anvil Ltd. lead-zinc-silver mine in the Yukon last year. The union concerned, the United Steelworkers of America, admitted the strike was aimed directly at an AIB rollback. The Canada board ruled that, since the rollback had rendered the negotiated settlement null and void, a contract no longer existed and therefore could not be breached by a strike.

In a written judgment, Paul Weiler, the B.C. board chairman, said no strike can be legal if its purpose is to force an employer to do something illegal; for example, to ignore an AIB ruling and pay out wage increases it had specifically disapproved.

He went on: "Can a union be said to be bargaining in good faith if it insists that an employer agree to do something which the employer has just been told by the AIB — in clear, concrete, unmistakable language — will be illegal under a federal statute? That would not seem to be a terribly sensible course of action from the perspective of the employees.

"Be that as it may, union members who pursue that course clearly do not deal in good faith with their employer if they try to coerce the latter into violating the law. And if bargaining which precedes a strike is in contravention of the labour code, this in turn places a legal taint on the strike action itself...

"There may be many contentious issues that the parties have to resolve following an AIB ruling... how to distribute the permissible compensation among wages or fringe benefits or across different classifications, or whether the union may retrieve non-monetary concessions it had earlier made or obtain new concessions from the employer now that the employees must take less money.

"If driven to that, the union may legally strike to resolve an impasse about these legitimate areas of

disagreement within the framework of the Anti-Inflation Act and the AIB decision. But the union is not entitled to strike its employer to challenge a ruling made by the AIB about the compensation package in its collective agreement.

"If it wants to have the AIB decision reversed, it must pursue the peaceful avenues of appeal afforded by the Anti-Inflation Act."

The B.C. board's ruling was in the form of a declaration, based on an application by Vancouver school board employees for an opinion about the validity of a pre-rollback contract they had negotiated. The employees had not gone on strike but they wanted to know where they stood anyway.

QUALITY OF WORK LIFE

Ontario QWL committee

The Ontario ministry of labour has launched its own quality-of-working-life initiative with the appointment of an advisory committee of six senior leaders from labour and management. At its June 10 opening meeting, the committee asked the department to identify and evaluate all the quality-of-working-life programs now under way in the province. It intends to invite both labour and management participants in the programs to meet with it and "share their wisdom and experience."

The members of the committee are Ralph Barford, chairman of the board, GSW Limited; Stewart Cooke, director, district 6, United Steelworkers of America; William Dimma, president, *Toronto Star*; Robert Hurlbut, president, General Foods Limited; Clifford Pilkey, president, Ontario Federation of Labour; Robert White, administrative assistant to the international vice-president and director for Canada, United Auto Workers.

In a statement issued after the meeting, the ministry said the committee found there was little public awareness of the quality-of-working-life activities existing in Ontario and has therefore "decided to concentrate its early efforts on developing a greater appreciation of the extent and effectiveness" of initiatives in the province.

McGill establishes QWL program

McGill University's Industrial Relations Centre has established a quality-of-working-life program, headed by sociology professor William Westley. The centre has established a seminar program to instruct business and labour officials on the dynamics of the concept, and it is looking for companies that will volunteer to participate in demonstration projects.

WORKING TIME

Decline in average hours

Average weekly working hours in manufacturing have declined in most industrialized countries in the decade ended in 1975, an International Labour Organization study shows. Some examples: Canada, from 39.9 to 37.7; Belgium from

42.3 to 34.8 hours; Denmark from 39 to 32.9; the U.S., 41.3 to 39.4; and Japan, 44.6 to 38.8. However, manufacturing employees in several European countries still work more than 40 hours a week, including the U.S.S.R., Czechoslovakia, Switzerland, France, Spain and the Netherlands.

In South Korea, employees in manufacturing were still working an average 50.7-hour week in 1975. In the food industry, the work week was 58 hours in Ecuador, 56.8 in Guatemala, 46.4 in Ireland and 46.2 in Czechoslovakia.

THE ECONOMY

Services underrated

Business columnist Don McGillvray says Canadians are living in a post-industrial society but that their minds — and their public policies — "are still back in

the industrial era when goods, not services, were the main products of the economy."

Writing in the Montreal daily, *The Gazette*, McGillvray, a columnist with Southam News Services, points out that although Canadian workers who produced goods outnumbered those producing services in 1951, they now were outnumbered two to one by service workers. Moreover, 60 per cent of the gross national produce now is in the form of services, compared with 47 per cent a quarter century ago.

Nevertheless, he writes, the income tax system has "discriminated" against the service industries since 1972 by taxing them at a higher rate than manufacturers. Yet since 1972 "manufacturing has produced 78,000 jobs or 6 per cent of the nearly 1.3 million new jobs that appeared. The disfavoured service sector has produced 1.14 million new jobs, or about 88 per cent of all new jobs." Creation of

HEALTH AND SAFETY

Planning secretariat director

J.H. Currie has been appointed director-general of the planning secretariat for the Canadian Centre for Occupational Health and Safety, part of the Canada Department of Labour's fourteen-point program to improve labour relations and provide a better working environment for Canadians. Currie was formerly director of the department's occupational safety and health branch.

The establishment of the centre is being undertaken in co-operation with the Department of National Health and Welfare, and will provide for participation by



provincial governments, labour, management and the scientific community. Its principal task will be to foster research and to assemble and disseminate the best available information on the problems of occupational health and safety in Canada.

new manufacturing jobs had actually slowed down: "In the five years before Finance Minister Turner changed the tax system, 101,000 new manufacturing jobs were created, about 12.8 per cent of all new jobs."

He adds: "This suggests that the government's incentives have not been enough to stimulate manufacturing or to discourage the growth of the service sector. But all sectors of the economy have not been able to produce enough jobs to match the growth of the work force. It is possible that by applying its stimulus — something like \$4 billion worth in total — in the wrong place the government has held back job creating instead of increasing it."

But "ending tax discrimination" against the service sector would be only a beginning: "Much more difficult is the change from an outdated industrial mentality which sees hard, tangible goods as the only real output and regards the service industries as free riders on the backs of the goods producers."

FEDERATIONS OF LABOUR CONVENTIONS

New Brunswick

The 400 delegates to the May 16-18 convention of the New Brunswick Federation of Labour, in Moncton, adopted a strong resolution opposing wage controls. It called on both the federal and N.B. governments to "get out of controls immediately for all workers in both the private and public sectors." The convention also adopted a resolution urging the provincial government to take immediate action to relieve the province's heavy unemployment, especially in the Miramichi region where, the

resolution said, the jobless rate had reached 35 per cent.

Other resolutions called for increased government benefits to employees of provincial hospitals and jails, including psychiatric counselling and alternative employment for "burned out" workers; reaffirmed the Federation's commitment to the New Democratic Party, and called on all local unions and labour councils to establish political education committees.

INDUSTRIAL DEMOCRACY

Finland establishes program

By early 1978, most Finnish government departments will have introduced a form of worker participation devised to suit their own circumstances. The monthly publication *Industrial Relations-Europe*, published in Brussels reports the recent establishment of the first such program in the ministry of finance. Staff councils have been set up and staff representatives attend meetings of department heads.

MOTIVATION

Singles less motivated

Less than 10 per cent of Japan's unmarried workers regard their job as their prime interest. Instead, they show more concern for sports and other leisure activities.

A survey by the Japanese Economic Planning Agency also reports that the "dokushin kisoku" — bachelor aristocrats — who make up about half the work force, earn salaries that are generally lower than those of married workers. They tend to have more money to spend on entertainment, however. Most bachelors live in subsidized dormitories and most unmarried women live with their families.

PEOPLE

Morris elected ILO chairman



Joe Morris, president of the Canadian Labour Congress, was elected chairman of the governing body of the International Labour Organization, in Geneva, June 26. This is the first time in the 58-year history of the United Nations tripartite agency that a workers' representative has been elected to this most senior position. Previously the post had usually gone to representatives of governments.

The chairmanship is not a full-time position, and Morris will remain CLC president until the Congress' next convention May 8-12, 1978, in Winnipeg, when he intends to retire at age 65.

In his presidential address, Paul LePage, a Bathurst steelworker, who was re-elected for a one-year term as president, strongly criticized existing labour legislation. He said "glaring loopholes" hampered the workers' right to organize into unions, and that more and more certification decisions by the provincial labour relations board were being challenged by employers and overthrown by the courts. [9]

Deterrents to unionization

by Ed Finn

At the end of 1975, union members in Canada constituted 29.7 per cent of the total labour force, and 37 per cent of non-agricultural paid workers. Preliminary figures for 1976 indicate that these percentages slipped somewhat as a result of the imposition of wage controls. Before October 1975 the number of union members had been rising by about 6 per cent a year, but in 1976 that growth dropped to just over 2 per cent.

Union leaders had anticipated that slowdown. The limits imposed on wage gains inevitably undermine the appeal of unions to unorganized workers. Unions have much more to offer, of course, than higher wages — more security, a proper grievance procedure, and better fringe benefits, for example — but there is no denying that the lure of larger negotiated pay levels is paramount.

With most employers paying close to the maximum allowed by the guidelines, that big incentive to join a union has greatly diminished.

The other deterrent to organizing was the increased work load that controls have imposed on union representatives and negotiators. The trend toward signing one-year contracts — a trend induced by the controls — plunged many union officers into negotiations on a continual basis.

When not at the bargaining table, they were most likely to be found at the Anti-Inflation Board offices, making inquiries, or trying to get the board to review its rulings and

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rollbacks. When an appeal was successful, it often required the reopening and renegotiation of the collective agreement. As a consequence, the time left to over-worked union staffs to organize new groups of workers has been minimal.

Other factors accounting for the reduced union growth last year include the continued sluggishness of the economy, and the soaring levels of unemployment. Historically, workers are more inclined to join unions during economic booms, because that's when the biggest and most publicized wage gains are achieved, and employers are less resistant to union organizing drives.

High unemployment eats into union growth, of course, because many of those who were laid off held union cards, or would swell union ranks automatically if they found jobs in a unionized industry.

If we assume that the slackening pace of union growth last year is an aberration induced by controls, and will disappear when controls are lifted, the prospects for a resurgence in the years ahead appear encouraging. It is highly significant — and more than a little paradoxical — that, among those employees who did join unions in 1976, were farmhands, doctors, and bank employees. All

three groups have been non-union for so long that they were considered to be virtually unorganizable.

The unionized doctors are interns in several west coast hospitals, and thus more akin to wage earners than to their more affluent fellow M.D.s. Their incentive for forming a union had more to do with their excessive hours of work than with pay, though they did negotiate a sizeable salary increase as well as a shorter work week in their first contract.

So far only a small number of farm workers have been organized, again in British Columbia, but the successful certification bid by the Oil, Chemical and Atomic Workers' union for 18 employees of South Peace Farms near Dawson Creek sets an historic precedent (LG, June 1977, p.260). The B.C. Labour Relations Board is the first to certify a union to represent farm hands, and indicated in its ruling that it would look favourably on any subsequent applications. It noted disapprovingly that the average wage paid farm workers — \$3.42 an hour — is only half the average hourly rate paid to unionized workers in the province.

In the past, a breakthrough such as this one in an industry previously impervious to unions has led eventually to the unionization of large numbers of workers, and often to the entire industry becoming organized. It is difficult to say whether this will happen with Canadian farm workers. The transient and seasonal nature of their work, and their dispersion

over such large territories will be formidable barriers to further organizing. On the other hand, seven other provinces now make farm workers eligible for union membership (with Ontario a notable exception), and their total number — more than 40,000 — is more than sufficient to stimulate union efforts to recruit them.

A great deal will depend on what kind of contract the OCAW is able to negotiate for the South Peace Farm workers. If it contains substantial improvements in their pay and working conditions, it will almost certainly predispose more farm workers to unionize, and once a few thousand of them have been signed up, the momentum may well spread across the country.

An even larger pool of non-union workers, the 120,000 employees of Canada's 12 chartered banks, is also on the verge of becoming organized. The Canada Labour Relations Board, which holds jurisdiction over the banking industry, ruled in June that individual branches of banks are appropriate bargaining units. The 24 applications it received from two unions seeking to represent employees of bank branches in B.C. and Ontario were the first serious attempts at organizing bank workers since 1959 when the board rejected an application for a union in a bank branch at Kitimat, B.C. The board ruled at that time that a single branch was not an appropriate bargaining unit, and implied that all employees of a bank would have to be organized nationally before a certification could be granted.

Such a massive organizing effort being well beyond union resources, bank employees were pretty well left alone for the next 17 years. (Except, of course, in Quebec, where employees of the Montreal City & District Savings

Bank have been fully unionized — no doubt because of their concentration in and around one city.)

Wage controls have greatly diminished the incentive to join unions

But the CLRB has now changed its outlook on the banking industry, and has begun to certify bargaining units that are only regional, or provincial, or even metropolitan in scope. The board still prefers to have national bargaining units, if possible, but is willing now to waive that principle and consider smaller groupings. This is an extremely important policy change by the board, and one that could result in most of the 120,000 bank workers eventually joining the ranks of organized labour. (That's especially true if the banks don't materially raise their employees' salaries above the present average of \$8,000 a year!)

These developments, however, are still within the realm of speculation. It may be instructive to look briefly at what has occurred in union growth in Canada over the past three decades, make some international comparisons, and then explore the reasons why two out of every three Canadian workers remain outside the labour movement.

When the Second World War ended, union members numbered only 711,000, making up 15.7 per cent of the labour force, and 24.2 per cent of non-agricultural workers. By 1955, their number had jumped to 1,268,000, representing 24 per cent of the workforce and a substantial 34 per cent with agriculture excluded. However, this percentage gain is attributable

largely to the slow growth of the overall workforce in this period. In the next two decades, when the tidal wave from the postwar "baby boom" inundated the workforce, union organizers had to redouble their efforts simply to maintain the 1955 percentage levels. By 1965, although more than 1.5 million workers were unionized, their share of the labour force was slightly less than 24 per cent, while the non-agricultural figure had dropped to 30 per cent.

It wasn't until the late 1960s — thanks mainly to the addition of many hundreds of thousands of teachers, nurses, government employees and other public service workers to union ranks — that the percentages started to edge upward again, reaching their present record levels of close to 30 per cent and 36 per cent. The unionization of public employees and professionals was the key development. Without that massive breakthrough, organized labour's share of the non-agricultural workforce would have sunk at least as low as it has in the United States, where it now stands at slightly less than 26 per cent.

The importance of organizing in the public sector is underlined by the massive restructuring that the Canadian economy has undergone since the early 1950s. At that time, the primary industries — farming, fishing, forestry and mining — provided 23.3 per cent of the country's jobs. They now provide only 7.3 per cent. In 1951 the secondary industries — manufacturing and construction — provided 33.1 per cent of all jobs, and today 26.5 per cent.

The public sector already supplied 43.6 per cent of jobs in 1951. As of April of this year 66.2 per cent of Canadian workers were in service occupations. If the trend continues, servicing will employ 75

per cent of all workers by 1985, leaving only 25 per cent in primary and secondary industries.

It is understandable, then, that most union growth in recent years has been in the public sector, and that trend seems likely to continue. The Canadian Union of Public Employees has more than doubled its size in the past 12 years, and now with some 220,000 members has surged ahead of the United Steelworkers of America as the largest union in the country.

Workers are more inclined to join unions during economic booms

Even with the rapid unionization of public service workers, however, the Canadian labour movement has only marginally increased its share of the burgeoning workforce. Compared with the 30 per cent of wage and salary earners in Canada who are unionized, other industrialized countries (apart from the U.S.) have considerably larger numbers of workers in their trade unions. Sweden's figure is 75 per cent, Austria 65 per cent, Australia 53 per cent, Britain 48 per cent, West Germany 37 per cent, and Japan 36 per cent.

The usual explanation for Canada's relatively low rate of unionization, and that of the U.S., is that unions in North America have not yet won the kind of respect and acceptance that have been accorded unions in Europe and other parts of the world. A secondary reason often given is that the gains won by organized labour on this continent tend to be passed on more quickly to non-union workers than is the case elsewhere, thus reducing the incentive to unionize.

Both these answers are valid,

though they are by no means the only ones. It is true that unions in Canada — even more so than in the U.S. — are still widely regarded as bothersome intruders into the economic system, as troublemakers to be resisted wherever possible, and at best to be merely tolerated. Our educational system either ignores labour relations in its courses on economics and civics, or treats it as an unimportant — and rather disreputable — subject.

As Stewart Jamieson of the University of British Columbia remarks in a recent address to the annual meeting of the Canadian Industrial Relations Research Institute in

Fredericton, organized labour in Canada has also been denied a voice in shaping economic policies. "These have been formulated," he notes, "by both provincial and federal governments, on a neo-Mercantilist basis, in close association with major business interests. Organized labour has been virtually excluded in most cases."

This image of unions as organized groups of anarchists has been dutifully purveyed by the media, which delights in banner news of strikes and strike threats, editorially denouncing union "greed" and "irresponsibility," while downplaying most of



"NOW AFTER YOU START WORK HERE YOU MAY HEAR RUMORS ABOUT ME BEING HARD TO GET ALONG WITH..."

labour's constructive achievements. It is not to be wondered at that workers whose concept of unions is so distorted should be reluctant to sign up when a union organizer calls. This belief that joining a union is only slightly less disgraceful than joining the Mafia accounted for the long delay by teachers, nurses and other professionals in joining or forming unions. It also explains the tendency of such groups to call their unions "associations" or "guilds" or other euphemisms.

The practice of many non-union employers in keeping their wage and benefit levels in step with those won by unions in organized plants is also a big factor in deterring union growth. There is no way, for example, that the Steelworkers will organize the employees of Dofasco in Hamilton as long as that company maintains its compensation rates at or slightly above those negotiated by the union for Stelco workers across the road. Company paternalism of this kind is an almost insurmountable barrier for union organizers.

Closely allied with paternalism by employers is the policy of governments to enact minimum wage and benefit standards for the protection of unorganized workers. Admittedly, these minimum standards usually fall well below union-won averages, but they often suffice to take enough edge off workers' discontent to discourage their unionization. It is to the credit of the labour movement that, despite this side-effect of minimum employment standards, it has consistently urged that such standards be further improved. The unions have reasoned that they have more to offer workers than higher pay — a better grievance procedure, for example, improved job security and seniority rights, and the intangible (but no less

important) enhancement of their dignity. This is no doubt true, but it nevertheless must be conceded that every advance in legislated wage minimums undercuts to some extent the unions' appeal to the unorganized.

Most union growth in recent years has been in the public sector

These social and legislative obstacles to union growth combine to produce an anti-union inertia among unorganized workers. It should be kept in mind that an essential precondition to the unionization of any group of workers is a desire — or at least a willingness — to join a union. No commitment of union resources, no campaign to woo and sign them up, however extensive, can succeed unless the workers themselves feel a need for union representation. With unions portrayed as social lepers, it sometimes requires an overpowering motivation by workers to offset the anti-union bias inculcated by the schools and the media. The employer has to be excessively mean and autocratic to push his employees into a union. Fortunately for the labour movement, many employers fit that description, and unwittingly do more than the unions to stimulate their growth.

The point is that there has to be some degree of receptivity to a union's advances among the employees before organizing efforts can succeed. Whether it arises from the negative actions of management or the positive examples set by the union elsewhere, it has to be there. Its absence for so long among such groups as nurses, teachers and

civil servants accounts in large measure for their failure to unionize sooner than they did.

Another point that should be made about large groups of non-union workers, especially professionals and white-collar employees, is that they can rarely be induced to join existing unions. If they decide eventually to become unionized, they almost always do so by establishing new unions of their own. This is partly due to pride, partly a desire to stand somewhat aloof from the grimy labour masses — but also, legitimately, because they have the required size and resources to provide the specialized services they need, and which other unions would find it difficult to supply.

There are, of course, many workers — mostly those in unskilled or semi-skilled occupations, and fragmented among thousands of small companies — who genuinely want to join a union, but are afraid to do so. They are afraid of reprisals by their employers when they find out some workers have signed union cards. Our federal and provincial labour laws, of course, make it illegal for an employer to fire or otherwise discipline employees for joining a union or helping to organize a union. That comes under the heading of "unfair labour practices." But such sections of the labour codes are so laxly enforced that they are all but worthless. They might as well be deleted.

About all they accomplish, occasionally, is to enable a union to get a worker reinstated — usually many months after the employer's reprisals have blocked the organizing effort. And an employer found guilty of union-busting is not penalized in any way, other than to be forced to rehire employees fired for union activity. It is no wonder that owners and

managers bent on keeping unions out of their plants feel free to ignore the laws prohibiting unfair labour practices; they know such laws can be flouted with impunity.

In addition to their failure to prevent employers from firing and disciplining workers who respond to union overtures, our labour codes and the certification procedures and policies of our various labour relations boards are not at all conducive to effective organizing. Many still require proof that more than half the workforce have been signed up. That may seem fair, and it would be if the employer were prevented from undermining the bargaining unit by

Minimum standards take the edge off workers' discontent

harassing employees and masterminding anti-union petitions and statements repudiating their union membership. The 50 per cent requirement would also be more defensible if all boards processed certification bids promptly or at least based their decisions on the status of the bargaining unit at the time the application was made. The long delays that characterize the processing of most certification bids, however, leave ample time for employers to undermine the unit. Even without employer involvement, the passage of time without any progress toward a collective agreement is sufficient in itself to weaken the employees' commitment. In most cases, therefore, a union can expect an erosion of between 10 per cent and 30 per cent of the bargaining unit while waiting for certification, or for a representational vote. So in practice it needs to sign up at least 70 per cent and preferably 80 per cent of the eligible employees,

so as to allow for the inevitable drop-off in support.

Most unions can tell horror stories of having signed up 80 per cent or more of a group, and then eventually losing them through management harassment or board tardiness, or both.

Even when certification is granted, a resolutely anti-labour employer still has one last weapon to employ — and it is a powerful one. That is to prolong negotiations for a first contract indefinitely, and either provoke a strike he knows the union can't win, or use the delay to incite employee discontent with the union. In either case, such an employer often succeeds in getting rid of the union through a decertification application — one he has himself fostered by frustrating the union's efforts to get anywhere at the bargaining table. A cunning employer can withhold improvements in pay that he would otherwise have given, and arouse anti-union sentiment by blaming it on the union.

Delay is thus a formidable enemy of unionization at all stages of organizing, certification, and the negotiation of a first contract. As the law now reads, a determined anti-union employer can usually prevail over a union at one or another of these stages, given sufficient time to exploit all the built-in delays.

In some jurisdictions amendments to the Labour codes have reduced such delays, and in a couple the investment of boards with the power to impose a first contract have been initiated or are contemplated. In the federal jurisdiction, the board is to be empowered to grant quick interim certifications where delays in processing the application are clearly of a technical nature. These are welcome reforms, but they are as yet too

spotty or too far in the future to be of immediate benefit to union organizers.

Another question that must be considered in a discussion of union growth is whether, despite these social and legislative barriers to organizing, the unions themselves are trying as hard as they can to bring more workers into their ranks. The answer to that question is that most unions are, but some — for a variety of reasons — are not.

Social and legislative obstacles produce an anti-union inertia among unorganized workers

Any examination of certification applications to the federal and provincial boards would establish the fact that, although organizing activities have diminished in the past few years (mainly because of the inhibiting effects of controls) the majority of unions have continued to devote as much time, effort and manpower to this activity as they can muster. That function, however, as always, is subject to several conditional and limiting factors.

First of all, there is the size of the union, which in turn determines to some extent the resources it can commit to organizing. The fragmentation of the Canadian labour movement must be viewed as an inhibiting rather than a conducive factor. Among the more than 100 unions having fewer than 10,000 members, the resources available for organizing are necessarily minimal. Then, too, the proliferation of unions often leads to competition among them for the same groups of workers, and the wasteful expenditure of resources in inter-union conflict that would

otherwise be more constructively employed. Even the raiding fights involving already organized groups detract from the time and resources available for enlisting new members.

Schools and media inculcate an anti-union bias

It should be emphasized, too, that the servicing needs of existing members invariably take precedence over organizing campaigns. If those needs are exceptionally demanding, as was the case in the first year under controls, it is not unusual that all available time of officers and staff are occupied in meeting them.

Other factors, such as the nature of the industry, and the number and length of collective agreements, are also relevant in deciding the extent of a union's organizing efforts. A union whose membership is splintered among many small firms, each with its own contract, is not likely to do as much organizing as a union with members covered by one or more industry-wide agreements.

Other unions have virtually reached the limits of their growth, because of the limits of the industries in which they are situated. This is the case with the building trades, with most of the marine unions, and with some of the

public service unions. They can only expand as the industry or government agency expands. The craft unions, of course, are in a position to control their own size through their hiring halls and apprenticeship systems, but are in effect controlled more by the expansions and contractions of the construction industry. The same is true of the seamen's unions, to a lesser degree.


Finally, the unions cannot be insensitive to the cost of organizing — and to the attendant cost of servicing new groups, particularly if they consist of fewer than 20 or a dozen workers. It is a hard fact of union life that it is just as costly to negotiate for and service a small group as a large one. And another hard fact is that most of the unorganized Canadian workers are employed in small plants and offices, laundries, gas stations, stores, and restaurants. They're not only more difficult and costly to organize than those in larger industries, but they're costlier to service.

Unions don't consciously take a profit/loss approach to organizing. If they did, few groups of less than 100 workers would be unionized, when in fact literally thousands of such units are to be found in union ranks. Generally speaking, the large groups that can "profitably" be organized and serviced don't mind subsidizing the enlistment of smaller groups, so long as their own servicing needs are fulfilled. But there is a limit beyond

which this subsidization of "uneconomic" groups cannot go, without pushing the union to the brink of bankruptcy. A union, like any other organization, can't afford to let its expenditures exceed its dues revenue — and there is also a limit to the willingness of union members to accept dues increases designed primarily to finance new organizing drives.

The employer has to be excessively mean to push his workers into a union

There may be other deterrents to unionization — social, legal, structural or institutional — that have not been touched upon in this article. (One that could be mentioned is the geographical location of unorganized workers. A union is reluctant to sign up workers in the far north, for example, because their remoteness for the union's servicing facilities would add prohibitive transportation costs to already steep servicing expenses.) But the mere enumeration of those organizing hindrances that have been discussed should suffice to explain why two out of three workers in Canada still remain unorganized.

Indeed, in view of all these inhibiting factors, the surprising thing is not that our unions have organized so few, but that they have organized so many. 

A better deal for Canada's unorganized workers

In the following article, federal Labour Minister John Munro discusses a controversial initiative in Labour Canada's 14-point program to improve the work environment. This is a set of proposals for improving the working conditions and the job security of unorganized workers in this country.

It is controversial because some employers have exhibited a knee-jerk reaction against it. And some trade union officials are sceptical about the government doing anything for unorganized workers which might make trade unions less attractive as the champion of

workers' rights. Munro can sympathize, to a certain extent, with these employers and these trade unionists. But he thinks most people would agree that these proposals to improve the Canada Labour Code are both timely and necessary.

Two out of every three Canadian workers are still unorganized. They have no trade unions to represent them. Although more than three million men and women are members of trade unions, twice as many workers remain outside union ranks. In the federal jurisdiction there are some 500,000 workers of whom about half are unorganized. This elementary fact of industrial life is often overlooked. When we speak of "labour" in its collective sense, we usually think organized labour.

Unions provide the structures and procedures, and furnish the leadership through which the interests of their members can be advanced and protected. They have the resources to deal with governments and their agencies, and to ensure that the needs of their members are kept in mind when policies are formed and legislation drafted.

Unorganized workers don't have this protection. They have to deal individually with their employers, and individually with governments. They are not, however, entirely on

their own. The labour movement of this country is more than a collection of trade unions. It is a social movement committed to improving the working conditions and the distribution of income among Canadians, including unorganized workers. It also has an outstanding record for advocating and supporting social programs, such as medicare, retirement pensions and regional economic expansion, for the benefit of all Canadians.

Governments, too, have taken an active role in protecting the unorganized. I am referring to the labour standards codes of the federal and provincial governments, which provide for the protection of wage levels, hours of work, general holidays, overtime premiums, and paid vacations.

The protection of unorganized workers is by no means a secondary function of my department, or of the provincial departments of labour. It is, if anything, a more important duty because the organized sector has, to a significant degree, the collective strength to look after its own interests.

At this point it might be well to ask the question: Just why is only one third of the Canadian labour force unionized? Just why is it that two out of every three Canadian workers do not have the umbrella of protection of belonging to a union?

The unorganized are mainly among white-collar workers, women, and those in small establishments. These small units — in which most of the unorganized white-collar employees are found — do present particular organizational difficulties to the trade unions.

Wholesale and retail trade, finance, insurance and real estate, the service industries — these are the least-organized industrial groups. The number of workers in the service industries — but not including public administration — increased by 2.2 million in the period 1966 to 1976, or an increase of 68 per cent.

The overall increase in the labour force in the period 1966 to 1976 was 2.8 million, or about 39 per cent. Clearly the service sector

has been growing faster than the total labour force. But the increase in union membership in the service sector has failed to keep pace with the growth of employment in this sector. In 1975, 6.2 per

cent of employees in the private sector service industries were members of trade unions, compared with 5.2 per cent in 1966.

I have already mentioned that small units are obviously more difficult to organize. In addition, they are not as attractive to organize because the per capita organizing cost is higher.

What the Canada Labour Code now provides for unorganized workers

I would like to turn now to the Canada Labour Code, what it provides, and the amendments that we are proposing in order to improve the job security and the work environment of unorganized workers.

If you look at the Canada Labour Code, which my department administers, you will note that it is divided into five parts. Only one of them, Part V, is specifically designed for organized workers. Part V is intended to formalize and facilitate relations between unions and employers. It provides for the certification of unions to represent groups of workers. It sets forth collective bargaining procedures. It provides for the resolution of disputes through conciliation and mediation, and as a last resort through strikes or lockouts. In short, the government acts more as a referee or a mediator in the union-company relationship, leaving it essentially to the parties to work out the ways and means of protecting their separate and joint interests.

The other three operable parts of the Labour Code are intended to compensate for the unorganized workers' lack of collective bargaining rights.

Part I imposes a set of fair employment practices, prohibiting discrimination in employment on the basis of race, religion, colour and national origin.

Part III establishes hours of work,

minimum wage rates, and general holidays, as well as providing for maternity leave and severance pay, and for advance notice of terminations.

Part IV sets standards for ensuring the safety of employees in their work.

(Part II was previously concerned with women's rights in the workplace. These rights are now covered in other parts of the Code.)

If employed by an industry that comes under federal jurisdiction, the employee knows that his standard work week is 40 hours. He can work up to eight hours more at overtime rates. The employer cannot compel him to work longer hours unless he does so by permit, or in an emergency situation.

The employee must be paid a minimum wage, periodically adjusted by the government.

He must be given an annual vacation with pay of at least two weeks every year after completing his first year of employment.

He is entitled to eight general holidays per year.

In the event of termination, he must be given ample advance notice — up to 16 weeks if he is one of a large number to be terminated — and if he has five years or more service, severance

pay amounting to two days' wages for each year completed.

If the unorganized employee is a woman, she is protected by two additional clauses of the Code. One is based on the equal-pay-for-equal-work principle which stipulates that employers cannot pay employees different rates of pay for the same or similar work on the basis of sex. Another provision gives her entitlement of 17 weeks' maternity leave after she finishes her first year of employment.

The Canada Labour Code also imposes on employers the duty of making sure that their employees are not subjected to working conditions that would endanger their health or safety. Safety officers assigned to enforce Part IV of the Code are empowered, if they find a workplace poses imminent danger to employees, to order its closure until corrective measures are taken.

These are the principal rights and minimum benefits which employers must confer upon their employees under the Code. There are others, such as a prohibition against firing an employee because part of his wage has been garnisheed.

Nevertheless, there are deficiencies. There are obvious loopholes that need to be plugged, provisions that need to be strengthened. And there are a few employment conditions that have been neglected.

Proposed new protection for unorganized workers

We must realize that attitudes toward labour relations practices tend to change rapidly. What was acceptable five years ago may be considered unacceptable today. Part III of the federal code has not been substantially altered for five years. In the kind of fluid and evolving work environment we have in Canada, that is too long for protective legislation to go without an overhaul.

Nearly a dozen proposed amendments to Part III are now ready for tabling in the House of Commons. The one that has received most publicity so far is the protection against unjust dismissal to be afforded unorganized workers. Others, while not as controversial, are no less important.

(1) I am proposing to extend to all workers the right to up to three days' paid bereavement leave in the event of a death in the immediate family. This is a benefit that has become standard in collective agreements. Its extension into the unorganized sector is long overdue.

(2) I am proposing a standard that would protect from dismissal workers who are absent from work for a period of 12 weeks because of sickness or injury.

(3) The maternity leave provision is to be amended to prevent the dismissal of a pregnant employee who has less than 12 months service.

(4) The vacation clause is to be improved to entitle workers to three weeks' paid vacation each year after six years of service. Two additional holidays with pay will be granted, Boxing Day and one other, probably Heritage Day.

(5) Believe it or not, we have had cases where employers have refused to pay wages earned by their employees, so we are adding a section requiring the prompt and regular payment of wages.

(6) The formula whereby employers may average hours of work in certain situations involving maximum hours and overtime has unfortunately been misused, so we will stop leaving such arrangements to their discretion. They will in future have to obtain a ministerial permit to average hours of work.

Some of these changes will no doubt annoy some employers, but I feel sure that the majority who believe in treating employees fairly will have no difficulty. Most of them already grant these, or improved benefits to their employees voluntarily.

(7) The proposed protection against unjust dismissal will be breaking new ground in Canada. It will give the unorganized worker a procedure for appealing against a dismissal he believes to be unjust. Several other countries, including Britain, West Germany, India and Australia, have enacted such legislation. So far it has been omitted from our federal and provincial labour laws. I think the time has come to extend this elementary right to non-union workers.

It will simply give them a mechanism for appealing alleged unjust dismissal which will be the equivalent of the protection unionized workers now enjoy under their collective agreements. All agreements under Part V of the Labour Code make it mandatory for contracts to contain a means of settling grievances over

dismissal. It is only fair that we demonstrate the same concern for the unorganized worker.

I realize that the terms "just" or "unjust" are sometimes difficult to define. However, we have a vast body of arbitral jurisprudence on dismissals in the organized sector. They contain precedents that will enable arbitrators to determine whether a firing is warranted or not. Each case has to be decided according to its circumstances, but the application of the principles of fairness and common sense have established pretty clearly what constitutes just or unjust dismissal.

The Canada Labour Code leaves this determination entirely to the employer in unorganized shops. In giving such workers the right to appeal under the Code, we are confining it to dismissals imposed as a disciplinary measure, but not those actuated by discrimination, which is appealable under the fair employment and human rights legislation.

We are trying, in other words, to discourage employers from firing people unfairly and arbitrarily. But we are not interfering with the employer's right to discharge an employee for incompetence, or for lack of work.

The specific details of the appeal procedure have not been completed, but this is essentially how I expect it will operate. A dismissed employee will have the right to demand a written statement of the reasons for dismissal. If the employee is not satisfied and feels he has a legitimate complaint, he may take it to an officer of the Labour Canada branch in his

locality. The officer will try to arrange a settlement through conciliation. If this effort fails, and if the complaint is considered to have merit, the Minister will then refer it to a third party for final and binding resolution. We don't have the detail on how the third party will be constituted. Possibly we will set up a three-member committee, along the lines of the appeal committees under the

Unemployment Insurance Act. The third party, or the committee, would rule on complaints of unjust dismissal, including dismissal of employees who refused to work under "unsafe conditions." At present the Code imposes a duty on an employee not to work under "unsafe" conditions. Now we propose to give workers the *right* not to work under "unsafe" conditions. If punitive action is

taken, he will have protection under the Code, just as an employee who has been unfairly discharged.

The committee, or the tribunal, could order the employee's reinstatement with back pay to the time of dismissal. It could assess an amount of compensation in lieu of reinstatement. Or it could rule against the employee.

Attitude of organized labour

I had expected protests from some employers against this particular proposal, but I was somewhat surprised and dismayed to receive objections from a few trade union officials. Their argument is that, if unorganized workers are given this safeguard against unjust dismissal, it will take away an important incentive for them to join a trade union.

I understand and sympathize with the union leaders' concern for this provision as being an impediment to organizing the unorganized. But as Minister, and as a department of labour, we have a responsibility to all workers, not just to organized labour. We cannot justify holding back a right and a benefit as fundamental and as badly needed as this one.

I have been a consistent advocate of a strong and responsible labour movement in this country. I do believe that if you have a strong labour movement, and I believe this especially in the Canadian context, you will have a responsible one. Part of my compulsion for speaking out is my conviction that trade unions have made a very positive contribution to Canadian society.

Therefore, I have no hesitation in repeating a reference to the *Report of the Special Senate Committee on Poverty*. I included it in a speech to the Union-Management-Community Conference at the University of New Brunswick at Saint John two years ago. The Senate Report, you will recall, observed that the ranks of Canadians at, or below, the poverty level were populated substantially by unorganized workers. The Report recommended that there should be easier access to labour unions for workers, particularly those in low-wage industries.

The organization of the unorganized is also a continuing concern of the labour movement. The Canadian Labour Congress, for example, has urged the federal government to establish a special committee to examine both the Canada Labour Code, and the Canada Labour Relations Board requirements and procedures, and come up with recommendations to make it easier for the working poor to join unions. To use the CLC's words, this committee would "identify the very real impediments which act as an effective barrier for workers to join unions."

My own personal belief with respect to this uneasy feeling that the labour movement has about giving protection against unjust dismissal to the unorganized is that they have come to a faulty conclusion. I believe it may increase the incentive of the unorganized worker to join the labour movement. I know there are instances where a worker has been hesitant about joining a trade union because of fear — fear of punitive action, fear of sanctions being imposed by the employer, fear of being fired, fear of losing out on a promotion. I think giving this protection totally undermines that fear.

I also believe that labour's problem in obtaining greater membership among the unorganized is due to many factors which amendments to legislation will not overcome. First, the very nature of Canada itself. The tremendous expanse of the country and the population spread over that expanse make the servicing of union memberships a terrible challenge.

Second, there is the prevalent attitude toward organized labour. It's not equally respected with the business community in terms of a

partnership as it is in many other countries whose economic performance is superior to ours, and whose strike record is far superior to ours. I have visited many of these countries, and there is no denying the fact that the labour movement there is respected on an equal footing with the business community as contributing to the overall health of the economy. That's not the case in Canada.

Until attitudes change I don't think that making changes to the legislation will necessarily work. I think that you have to have the prelude of a change in attitude with respect to the role of labour in our society.

I am hopeful the trade union will change its mind on this proposed protection for the unorganized. The labour movement is the

strongest advocate of higher minimum wages, and of improved benefits and safety measures for the unorganized, even though such legislation lessens the incentive to join a trade union. This is a commendable and unselfish attitude for unions to take. I am sure that they will recognize the positive aspects of this initiative, and they will come around to support this measure as well as other labour standards.

Attitudes of management

Employers complain that they simply can't afford unionized employees. They take the position that the business couldn't stand the higher wages. They also regard unions as an interference in their operation.

One of the most common complaints — perhaps more properly labelled a myth — is that small-sized businesses and industries, say those with 200 or fewer employees, would go under if their employees joined a trade union.

What community is well served, I would ask, when a significant proportion of its workforce receives little, if anything, more than the minimum wage? This is certainly the case in some areas of Canada. How can employees improve themselves and their potential in this situation?

We should also recognize the contribution that wages make to the health and prosperity of the business community. John Bullock, president of the Canadian Federation of Independent Business, made this point in an address to the Montreal Board of Trade. This was two years ago, but his point is just as valid today.

Bullock said, "Because of the purchasing power it creates, small firms in every community in Canada have a vested interest in income distribution...." Mr. Bullock went on to point out that the working poor are wage earners who, through lack of experience or education, are working at the minimum wage and trying at the same time to raise a family. They have always been of concern to the business community.

As minister of labour, I was heartened to hear of this concern. I would like to see this expression of concern among businessmen complemented by a more open, receptive attitude to the question of organization. At least businessmen should not, in their own and in the community interests, reject union organization out of hand as being a threat.

Visiting the Federal Republic of Germany last winter and talking to the employers' organizations and the heads of many of the major unions, I had no doubt of how closely they work together. Trade unions perceive themselves as having a vested interest in profits. Without profits the country does not prosper, the employers do not

prosper, and certainly there's nothing to share amongst the workers in terms of increased benefits.

More and more, leaders of the trade union movement in Canada are speaking in this way. Joe Morris, president of the Canadian Labour Congress, speaking to the Newfoundland and Labrador Federation of Labour, talked about the vested interest that labour in a free enterprise society has in profits.

Most employers understand and agree with the need for legislated work standards, and even for the imposition of a minimum wage. But some employers resent this government intervention. They argue that this kind of legislation is based on the assumption that employers can't be trusted to treat their employees fairly. They object to laws that assume that unorganized workers would be exploited and underpaid if wages and working conditions were left to employers to decide unilaterally. They prefer to let the market determine wages and conditions.

I suppose that the same objection could be made to all laws that regulate the conduct of business

and commercial activity, to all laws prohibiting fraud and usury, all laws against stock manipulation, all limits on industrial pollution, all laws aimed at protecting the interests of consumers.

I certainly don't believe that a majority, or even a large minority, of employers are anti-social. The vast majority would deal decently and ethically with their employees even if there were no legislative compulsion to do so.

But let us be realistic and admit that the self-policing abilities of the business and industrial world are somewhat less than airtight. Let us admit that some employers have been known to mistreat their employees.

Employers who voluntarily adhere to good practices, if not surpass them, should welcome the establishment of improved minimum standards. The standards help to prevent cutthroat competition from outfits that would undersell and

underbid more respectable firms by the expedient of operating under sweatshop conditions.

Most employers realize that a decently treated workforce is more productive than one whose morale is low and whose attitude toward the employer is hostile and mistrustful. It is not solely a matter of conscience that dictates managerial benevolence, but a matter of sound business practice as well.

Other initiatives to improve working conditions of unorganized workers

In addition to these and other proposed amendments to the labour standards section of the Code, I fully expect that some of the other initiatives in the 14-point program will prove of great value to unorganized as well as to organized workers. (LG, June, p.251).

I am thinking specifically of our proposed *code of good labour relations practices*. I am thinking of the *national occupational safety and health centre*, and the *quality of working life centre*. I am thinking of the increased government funding of *labour education*. I am thinking about the task force I am setting up to examine the whole question of *paid education leave for workers*.

The manual of good labour relations practices will serve as a voluntary code for employers of both union and non-union workers, establishing a set of desirable standards that all employers will be encouraged to meet.

The two national centres are designed to improve the quality of working life and the health and safety of work performed by all employees. Of special interest to the unorganized will be the legislated safety and health committees at the plant level. These will give employees a forum to participate with management in making the workplace healthy and safe. Setting up such committees will probably be more difficult in unorganized plants, but the diffi-

culties can and will be overcome.

Most of our increased support for labour education will be funnelled through the Canadian Labour Congress and other labour centres, to help them train professionals, and increase their efforts in labour history. But we will be reserving some funds and other forms of assistance to give unorganized workers opportunities to improve their skills and knowledge.

Paid education leave, in my view, is one of the most vital proposals in the 14-point program. I want to find ways for organized and unorganized workers to enjoy this benefit. I will have more to say about this initiative on another occasion.

Improved conditions for part-time workers

A group of workers in need of special improved measures are those engaged in part-time work. A recent study commissioned by my department, called *Part-time Work in the Canadian Economy* (LG,

May, p.232), dispels many myths about part-time workers. It found that the majority of them have family responsibilities, and that only a small percentage are moonlighters. The report distinguishes

between the regular part-time worker who has an on-going relationship with an employer, and the casual worker who moves frequently from job to job. It found that the part-time sector has been

growing at a faster rate than the general workforce, and that many service industries are dependent on this kind of employment.

Regrettably, some employers of part-time workers have not been treating them fairly, have instead been holding them to minimum rates of pay with few, if any, fringe benefits. This is a matter we have to be concerned about. Part-time workers have just as much right to legislative protection as do full-time non-union employees. One solution might be to require a prorating of benefits, pension contributions, and seniority rights. Another possibility might be to prescribe wage and benefit minimums tailored to the requirements of particular groups of part-time workers.

We need to know more about the needs and interests of this rapidly growing sector of our workforce. But in any event I understand that my department's new initiatives will be broadened to take the concerns of part-time workers into account.

Each one of these proposals responds to a genuine need — to the perceived flaws and failings in our existing legislation, and to the need to adjust minimum employment standards for the majority who are unorganized in the light of progress made on behalf of the minority who are organized.

Experience has shown that these measures are justifiable not just on humanist grounds alone, but in

terms of their contribution to a more satisfied and more stable workforce. Minimum standards and benefits do much to overcome important sources of dissatisfaction. This leads to better productivity, lower rates of absenteeism, and a more harmonious relationship between employers and employees. These are objectives that all Canadians share, even if they may not agree on the most appropriate means of achieving them.

As a government, we listen to the views and criticisms of all those affected by our laws and regulations, but ultimately we must make

the decision on how and what and when to legislate.

The results of the important revisions made to the Canada Labour Code almost a decade ago have been most gratifying. The same spirit of meeting workers' needs and keeping pace with a rapidly evolving work environment animates the new legislative proposals. They, too, will stand the test of time and much less than another ten years will elapse before their worth is appreciated.

John Munro

Minister, Labour Canada



Toronto Star Syndicate



"That's true, the price they charge for food these days is a crime!"

Labour standards and collective bargaining

by Paul Malles

It is usually said that collective bargaining is the prevailing pattern of Canadian industrial relations. This is only partially true and takes too narrow a view of employer-employee relationships in this country. According to the latest available information, based on Labour Canada's annual surveys of working conditions in Canadian industry, collective bargaining coverage in 1975 amounted to about 70 per cent of non-office employees, 34 per cent of office employees and about 60 per cent of "others", amounting to an average of about 55 per cent of all wage and salary earners. This survey, however, is based on returns for something like 3.3 million employees or about 30 per cent of the workforce. It leaves out the construction industry, employing about 6 per cent of the labour force, of which the residential sector is hardly organized at all, and moreover takes into account only those enterprises with more than 20 employees. Yet even in manufacturing, the only industry for which information is available as to size of establishment, a startling 60 per cent of companies employ fewer than 20 persons and 77 per cent fewer than 50, for a total of close to 300,000 employees. Given then the innumerable small establishments, especially in the private service industries, which employ about 2.5 million, it is not unreasonable to assume that at best 40 to 45 per cent of the paid labour force is actually under collective agreement. Indeed, with the exception

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of the public and quasi public services, relatively very little progress has been made in recent years in collective bargaining coverage.

Now, it is undoubtedly true that there may be a certain portion of the labour force that for some reason or other enjoys wages and working conditions as good as or better than those obtained through collective bargaining. It is, nevertheless, also true that a considerable portion of the paid labour force remains without union representation, including many working in marginal industries, or in depressed areas of the country, most office workers and, not infrequently, new immigrants. Moreover, there are certain impediments in our industrial relations law as well as financial and physical limitations on the ability of Canadian trade unions to represent and above all to serve workers in the large number of small enterprises scattered across the country. This portion, which may well number at least one third of the paid labour force, is entirely dependent on the employment minima established by labour standards law and on the efficacy of its enforcement.

Nevertheless, even such minima

may run into opposition from time to time. Employers may see them as an unwarranted interference in the labour market. Economists have sometimes argued, though on purely theoretical grounds, that minimum wages create or increase unemployment. Even trade unionists have sometimes taken a rather ambivalent attitude, usually, though not always, out of fear that their organizing efforts would be hampered if benefits they had obtained at considerable sacrifice to their membership were to be extended to the unorganized.

This, however, should not lead to generalizations about the attitude of the Canadian trade union movement toward the enactment of labour standards. The general acceptance of the universal minimum wage, though after initial resistance, and consistent pressure of the unions to bring the minimum wage in line with general wage developments, is only one proof of the value placed by unions on labour standards. In fact, study of the history of such law in Canada shows that the impetus for the introduction and improvements of employment norms has more often than not come about by the continuous demands made upon the federal and provincial governments in the annual briefs of the national and regional labour bodies. And there is a good reason for that. Among the aims of labour standards legislation not the least important is the protection it provides for unionized employers as well as union members against unfair

competition by their non-unionized counterparts.

There are other reasons that legislated labour standards also benefit organized workers. By definition no collective agreement can be less favourable than the law (except by dispensation in certain circumscribed instances through the appropriate Labour Relations Boards or their equivalents). This is important, given the multiplicity of our unions and the large number of small bargaining units, not all of which have the economic power to achieve by themselves even the minima established by law. Secondly, as far as Canada is concerned, our labour standards law generally provides only the lowest common denominator of adequate employment conditions. This differs from most European countries, where labour standards law traditionally corresponds more closely to generally prevailing working conditions, for example, working hours, vacation with pay, paid sick leave, etc. For this reason, as well as for reasons of control and enforcement, the collective agreement will always be preferable to reliance on the law. Thirdly, there are areas of working life which by their nature are less well suited to collective bargaining, for example, job discrimination, and health and safety standards.

Therefore, two of the intended additions to the Canada Labour Code, as announced by the federal labour minister, are of utmost importance. One concerns the question of arbitrary or "unfair" dismissals opening up the right of appeal under the Code. This is obviously intended to protect above all unorganized workers who have no access to the grievance procedure under collective agreement. Nevertheless, the grievance procedure too, while

common in contracts, is by no means without its hazards and there could be situations where even organized workers could wish and should be able to have access to an appeal's procedure under the Code.

Most welcome is the ministerial announcement in the health and safety area. As the Economic Council of Canada pointed out in its report, *People and Jobs* (1976), much of the responsibility in this area lies with the provinces, but it would be of great value to provide more uniformity in occupational health standards if the federal government were to take the lead by consolidating its occupational health activities. The announcement that the federal government will create a National Occupational Health and Safety Centre and introduce legislated safety and health committees with employee representation is a step forward in meeting the Council's recommendations.

What about the argument that certain aspects of labour standards law may be detrimental to union organizing efforts? International comparison will show that the propensity to unionization depends on many factors — political, social and psychological. Countries with very similar laws and institutions vary a great deal in the degree of unionization. It is virtually impossible to isolate one or the other factor as responsible for or against the spread of unionization and collective bargaining. For example: the system of extension of contract by ministerial decree prevalent in some European countries has at times been regarded as inimical to unionization, at other times as furthering it. In both instances the evidence has always turned out to be inconclusive. Germany and Austria have, on the whole, similar laws and institutions, including the

same union structures. Yet in Germany unionization as such is relatively low in relation to the potential, while in Austria it is second only to Sweden. Indeed, Austria is unique in having an institution of elective statutory Chambers of Labour empowered to negotiate for the unorganized. Even this has apparently not hampered the trade union movement from reaching almost its full organizational potential.

At one time it was conventional wisdom that women were difficult to organize. More recently evidence has accumulated showing that it was not difference in the attitudes of the sexes which was responsible, but the degree of attachment to the labour force. At one time, too, it was an axiom that certain professional groups would never accept unionization. Yet in recent years we have seen these groups change their professional associations into unions or act as unions.

The legal impediments in Canada to unionization and collective agreement coverage, are less likely to be found in the minimum conditions of employment under labour standards law than in that other branch of labour law which deals with the conditions and procedures under which union recognition and collective bargaining takes place. On the whole, the system of the statutory bargaining unit has served well. Undoubtedly, it facilitated the growth of industrial unionism as was intended. However in the three decades since it was accepted as a basic principle in all Canadian jurisdictions, both the structure of Canadian economy and the composition of its labour force have radically changed. The exclusion of certain groups of employees from the bargaining process is no longer warranted. Moreover, the change in the

composition of the labour force, which assumed a more and more heterogeneous character, has led to an increase in the fragmentation of the bargaining process, which is neither conducive to industrial peace nor to the spread of collective bargaining. The procedures for union recognition have become all too legalistic and overly encumbered by case law based on precedents, besides being financially and organizationally burdensome to the unions. It is in this area in which the real impediments to unionization and collective bargaining coverage are to be

found. Moreover, the recent announcement by the federal minister of labour of the impending reform of labour standards law should be seen in conjunction with the discussion paper "Agenda for Co-operation" (the so-called "Green Paper") issued recently by the federal government. In this paper, the complementary measures to the reform of federal labour standards law are outlined, namely promotion of broader-based bargaining units to reduce fragmentation and sequential work stoppages; provision for interim certifications and the imposition of

first agreements; broadening of the powers of the Canadian Labour Relations Board to enable unions to combine and regroup for the purpose of certification, and improvements in conciliation, mediation and arbitration services.

It is true that the jurisdiction of the federal government extends only to a relatively small part of the Canadian labour force. However, it has been the historical experience that whether a provincial government or the federal government pioneers certain changes, they become universally accepted sooner or later. Indeed, some of the indicated changes are already patterned after provincial law and, therefore, likely to become universal.

Nevertheless, it must be borne in mind that even if all the existing legal impediments to the spread of collective bargaining were removed and unionization brought in line with its practical potential, the mere fact of the emergence in recent years of large groups of workers who are more loosely attached to the labour force, will, in all likelihood, necessitate a normative approach to working conditions under labour standards law and thus the protection of unionized employers and organized workers alike against exploitative competition for a long time to come. [g]

Toronto Star Syndicate



"When I got my Ph.D. in Marine Science, I didn't realize I'd have so much trouble finding a job."

Federal proposals to improve labour-management relations

The Government's fourteen-point program for a better working environment for Canadians includes several proposals aimed specifically at improving the structure and process of labour-management relations. Labour

Minister John Munro described two of them in a June 6 address in Montreal to the annual general meeting of the Canadian Manufacturers' Association — establishment of a collective bargaining information centre, and creation of

a national consultative multi-partite forum "in which labour can join with business, government, consumers, farmers and other interest groups in helping to solve common problems."

Collective bargaining information centre

About two years ago, I called on the Canadian Labour Congress and the business community, including the Canadian Manufacturers' Association, to choose nine delegates or representatives. They would join with four government representatives to act as a continuing committee for examining employee-employer relations, and advise me as Minister of Labour on the important issues. We called the committee the Canada Labour Relations Council.

At the first meeting, on a motion from one of the labour representatives, the Council identified the need for objective information on compensation and economic trends. It was perceived that existing data was not prepared specifically for collective bargaining, or was suspected of having a pro-labour or pro-management bias. So we set up a subcommittee to study the issue, including the possibility of establishing a national data centre.

At the direction of the subcommittee, my Department conducted a survey of employers and labour

organizations. The survey asked questions about the source of bargaining information then being used, the kind of information needed, how often it was required, and how the existing information could be improved.

The subcommittee discovered a wealth of compensation and economic information produced by a variety of government and private sources. The survey also showed that many practitioners in collective bargaining, particularly among trade unions, did not always know what information was available, and sometimes had no access to it, particularly the private compensation data.

What seemed to be needed was a single agency or centre to pull all the data together and make them available and useful to union and company negotiators. The key elements of the data would have to be *accurate, adequate, timely* — and hence, *credible*.

On the recommendation of the subcommittee, the Canada Labour

The centre would help develop an open and creative dialogue

Relations Council reached a unanimous agreement that a collective bargaining information centre should be given priority in any government proposals for improving labour-management relations.

Unfortunately, soon after the Council made this recommendation, the CLC withdrew its participation in opposition to the government's wage and price control program. I am confident the withdrawal of the CLC is temporary, and once we move into the decontrol period the labour movement will give this, and other initiatives in Labour Canada's 14-point program, (LG, June, p.251) its active support, and participation where needed. I am also hopeful that the Confederation of National Trade Unions, representing a large sector of Quebec's organized workers, and possibly other trade union groupings, will soon participate in this, and other national centres we are setting up.

The centre we now have in mind, and which has been approved in principle by the Cabinet as well as the labour movement and the business community, would not duplicate existing data collection functions in federal and provincial

departments, or private organizations such as the Conference Board in Canada. Rather it will act as a clearing house from which existing information could be obtained.

The national multipartite forum would not infringe on the role of Parliament

Both labour and management representatives have expressed concern about the independence and credibility of the proposed centre.

To ensure credibility, I propose to set up the centre as a separate departmental agency under a tripartite management board of labour, management and government representatives appointed by order in council.

The centre would respond to requests for information from the parties to collective bargaining, mediators and conciliators, and Labour Canada and provincial officials. Where necessary, it would work with clients to identify information needs and collate data and publish regular reports. The setting of priorities and the program direction would remain the responsibility of the centre's own management board.

Eventually, I would expect that the centre will play an active role in promoting data improvement by identifying gaps in existing information and ways in which information could be made more relevant for collective bargaining.

Provided we can obtain the participation of both labour and management, I anticipate the development work for establishing the centre

can be completed this year. Then the centre could be fully operational by early 1978.

I envisage the Collective Bargaining Information Centre as a significant agency for developing an open and creative dialogue among the parties at the national and provincial levels, as well as at the level of the enterprise. It will make a major contribution toward removing the negative adversary elements from the collective bargaining process, and introducing elements of logic and reason.

National multipartite forum

I would like to turn now briefly to the new national multipartite forum we are proposing to set up for a continuing interchange on economic and social issues and policies.

The national forum we have in mind will not infringe on the role of Parliament. Parliament will remain our most important national forum for the development of national policies.

The government's proposals to establish a national forum is in response to the growing public demand for more openness in government. It is also recognition of the need, as perceived by government, for shared responsibility for economic and social problems.

In the past few years, there has been a marked increase in the number of organizations that want to bring their concerns to the attention of the government, and a marked increase in correspondence between individual

Canadians and ministers and Members of Parliament. All of this means more consultation.

Such a forum could have a major impact on employee-employer relations

The labour movement has indicated its willingness to move toward a system based on consultation, rather than confrontation and conflict. I believe that was the message implicit in the CLC's Manifesto adopted at its convention in May 1976. One may disagree with some of the specific proposals contained in that document, but I certainly welcome the CLC's avowed willingness to enter into a consultative mechanism for dealing with national and social issues.

The CMA and the CLC broke new ground a few weeks ago when their representatives made a joint presentation to federal ministers on four or five economic issues. I anticipate more such joint submissions from various groups in future.

During the past year, there have also been a number of bilateral meetings between government and the labour movement on the economy and the anti-inflation program; similar bilateral meetings between government and the business community; and more recently, tripartite meetings on the most desirable procedures for entering the decontrol period.

The government believes the time has now come to take another step forward. The time is right for proceeding toward the establishment and operation of a multipartite forum. Such a forum could

make a major impact on employee-employer relations by exposing the concerns of employees and employers to other elements in the community, and by exposing labour and management demands to debate by the rest of the community. I can see the forum bringing a new spirit of communication and realism to employee-employer relations.

The forum would be large enough to provide for representation of the major economic groups, including an appropriate regional balance. Federal ministers would participate, and a federal representative would act as chairman. Participation would be open to representatives and observers from the provincial governments.

Toward a system based on consultation rather than confrontation

The forum would be a consultative body. It would not have decision-making powers or programs, but it would certainly exert influence on the decision-making process of the government and Parliament. The government would continue to

take responsibility for its own policies and be accountable to Parliament and the electorate. At the same time, business, labour and other private groups would be free to express their views but remain responsible for their positions and accountable to their own constituents and the public.

I also anticipate that the multi-

partite forum will provide a kind of umbrella under which a number of bipartite or tripartite bodies could concentrate on specific problems in fields such as labour affairs, unemployment and regional expansion.

John Munro


Minister, Labour Canada



One of the government's hopes in establishing the Collective Bargaining Information Centre is that it will "enhance access" to already established sources of data, according to R.W. Crowley, director-general of Labour Canada's Central Analytical Services. In a May 2 address to the Canadian Association of Administrators of Labour Legislation, Dr. Crowley gave this indication of how the Centre might handle a specific request for assistance:

"The request might come from one or both parties to a collective agreement who are about to begin negotiation; or perhaps from a union's director of research looking for comparative information; or from the personnel manager of a company; or from provincial or federal officials involved in collective bargaining. Centre staff would respond to the request by first working with the client to determine the exact information needed for his

purposes. The staff member or members would then find out where the information could be obtained. Again, the source might be a federal department or agency, a provincial agency, a university centre, another private source such as the Conference Board. The Centre's role would then be to put the user in touch with the source, perhaps simply by a referral, or by acting as a 'go-between'. Sometimes, it would be necessary for Centre staff to work with the agency supplying the information to put together the answer to a specific request. Any or all of these methods might be used."

In the long run, Crowley noted, it is hoped that the Centre will also have an active role in promoting data improvement "by identifying gaps in existing information and ways in which existing information could be made more relevant for collective bargaining purposes." 

Shared responsibility for Canada's performance

The Canadian Manufacturers' Association held its 1977 annual meeting in Montreal, June 5-6, just nine days after the Government of Canada released its discussion paper on de-control and post-control issues, *Agenda for Co-operation*. And the 450 participants welcomed the paper's thrust that the government could not solve the country's economic problems by public policy alone but was seeking to create a shared sense of responsibility for the country's economic performance on the part of major sectors of the economy.

In his presidential address, Rodrigue J. Bilodeau, chairman and chief executive officer of Honeywell Limited, noted that five federal cabinet ministers were at the meeting — Labour Minister John Munro, Finance Minister Donald Macdonald, Treasury Board President Robert Andras, Manpower Minister J.S.G. (Bud) Cullen and Jean Chrétien, minister of industry, trade and commerce. "It is a good indication of the government's attitude," Bilodeau said, and it was essential that government and business agree on goals and strategies — an observation appropriate for the meeting's theme "Build industry — build Canada."

But to Bilodeau, current discussions not only with industry but also with labour were at a critical stage. "For, while we have been discussing and consulting and hesitating, our competitors have been gaining bigger shares of our markets; investments have not

been made as they should in a young country like ours, and, as a result, not enough jobs have been created for our young people."

Hence, in finding the right "attitudes and policies" a key trade-off had to be kept in mind, he said — "whether or not governments will be pressured into short-term employment gains at the expense of the sustained efficient growth of output, employment and income that can occur only in a non-inflationary environment." He felt that, in general, "the business community can take comfort from the recent federal government papers and also the budget, which appear to indicate a willingness to make the right trade-off."

In his address, Macdonald stressed that the government was concerned that the country secure the gains made against inflation and "inflationary expectations" under the Anti-Inflation Program, and that it would prefer to phase out controls rather than end them abruptly. He also discussed the government's proposal for a consultative forum representing business, labour, agriculture, fishermen, consumers and professionals, and said it would be a means of helping clarify how responsibility should be shared between government and the various interests in Canadian society.

Andras said the federal government has adopted a policy of aligning its own spending with the growth trend of the gross national

product. Though its spending restraints had been greeted with skepticism, "many of the skeptics now have become believers." He said also that as the country approached the end of anti-inflation controls, "your responsibility as leaders in the private sectors takes on a greater significance."


Munro also discussed the national consultative multipartite forum, as well as the government's proposals for a collective bargaining information centre. He said the information centre would not duplicate existing data-collective functions in federal or provincial departments or in private organizations, but would act as a clearing house from which existing information could be obtained. He also made it clear that the multipartite forum would in no way infringe on the role of Parliament but would be a consultative body.

But Murray Dubinsky, president of Administrative Consultants Limited, Calgary, said that consultation must be accompanied by the ability to deliver, and that a high degree of decentralization of trade union authority had weakened the role of labour "as an effective and responsible social and economic partner." The Canadian labour movement spoke with a "disjointed and uncoordinated voice that reflected the legislative structures in which it had developed." He called on the federal government to show legislative leadership to the provinces in providing structures within which the parties to collective

bargaining "can more readily seek solutions to their problems." Such legislation should strive to "unify the parties" and in so doing to "rationalize the process."

F.P. Brady, QC, vice-president and general counsel, Dominion Textile Limited, said the challenge of all levels of government was to provide "the legislative and economic environment that would

cause every businessman to sit down and confidently mark 'yes' to the majority of investment decisions favouring new plants, expansion or modernizations of facilities in Canada." He listed among elements to be considered in reaching such decisions, wages, fringe benefits, construction costs, markets, energy and raw materials, environmental controls, taxation and the cost of money.

The participants in the meeting were also warned by D.K. McIvor, executive vice-president and director, Imperial Oil Limited, not just to seek scapegoats for their problems, but to accept their share of the blame. "Who signs those wage contracts that make Canadian manufacturing employees among the best paid in the world, and then complains about unfair foreign competition?" he asked. 

Limited support in Canada for worker participation

Despite the popularity of worker participation in some European countries, the concept has only limited support in Canada. That opinion appeared in all the addresses to a May 30 conference on Employee Participation in the Management of Canadian Enterprises, organized by the Personnel Association of Toronto. Nevertheless, the participants were told by Charles J. Connaghan, vice-president, administrative services, at the University of British Columbia, that worker participation is here to stay and will gain popularity in the future.

Connaghan, who conducted a major study of co-determination in West Germany for the Canada Department of Labour, gave several reasons for his view: Technological change has created

uncertainty and unease in the minds of individual workers; the work place has become populated by well educated employees seeking more creative and meaningful work than their parents had, and, finally, the "obvious success" of worker involvement in developing a harmonious labour-management climate in countries such as West Germany "is not being overlooked by governments" in Canada. "It is only a matter of time before worker participation becomes established in Canada," he said.

Management and unions are both "lukewarm" to the concept

Connaghan also presented seven examples of existing employee participation in Canadian work places — Tembec Forest Products, Inc., a pulp mill at Temiscamingue, Que.; La Société Populaire Tricofil Inc., a textile manufacturing mill at St. Jerome, Que.; Les Industries du Saguenay, a metalwork manufacturer; La Presse, a Montreal daily newspaper; Supreme Aluminum Industries of Scarborough and Pickering in Ontario, a manufacturer of cookware, ladders and hydraulic equipment; the Cox group at Stoney Creek, Ontario, a dental equipment manufacturer, and Kootenay Forest Products Ltd., a crown-owned sawmilling and plywood manufacturing plant at Kootenay, B.C.

Despite these examples,

Connaghan found "an obvious lack of enthusiasm" in this country for worker participation. He attributed this to "the unsympathetic attitudes" of employers and the trade union movement. "Some employers see worker participation as leading to an increase in the power of the trade unions over individual companies and the economy as a whole," he said.

"A strong union with the necessary resources to challenge the company's figures and statements is absolutely essential to any hope of success"

And unions feel threatened "because they believe it could undermine their primary function, which is to defend the rights of workers and to ensure that all the well-being of union members is enhanced."

David Archer, former president of the Ontario Federation of Labour, agreed that union response is "somewhat unenthusiastic," and said it will be a long time before "we have Germany's co-determination in the Canadian work place." He found management response also "lukewarm", and said there had been no significant shift in attitudes despite nudging from the Canada Department of Labour. "The adversary system goes its merry way and is acceptable to both sides," Archer commented.

He said, however, that he believed "consultation at the work place" could reduce industrial conflicts: "Unionists would be engaged in day-to-day decision-making and problem-solving at various levels. The companies' difficulties would be well-known and employees would be invited to share them."

But this kind of consultation could be effective only with union representatives: "A strong union with the necessary resources to challenge the company's figures and statements is absolutely essential to any hope of success."


Thomas E. Armstrong, Ontario's deputy minister of labour, said co-determination experiments are under way in several Ontario companies but on a "low-key" basis. "Management and worker representatives don't want the situation to become known until they have proved they can make some progress," he noted.

Lloyd Hemsworth, vice-president, personnel and industrial relations, The de Havilland Aircraft of Canada Ltd., said Canadian interest in European co-determination and works councils "is a manifestation of the desperate need to find a way to conduct our industrial relations affairs without the economic loss caused by industrial conflict." However, "while employee participation in the affairs of our enterprises is desperately needed, neither business nor trade unions need any new or different institutions such as works councils to channel, foster, monitor or control" this participation. To Hemsworth, the existing institutions — unions and the management hierarchy — "are quite capable and possess the essential structures to involve employees fully and to enable them to participate in a realistic way in corporate and union decisions." The essential basis was two-way communication, and the best means by far for achieving this was in "face-to-face" meetings: "Without rejecting other means completely, it is in face-to-face meetings that we should be concentrating our efforts." Hemsworth was strongly opposed to government intervention to

bring about employee participation: "When participation and involvement by employees and union members in the affairs of the companies and unions have replaced participation and intervention by the state, we will have achieved a form of industrial self-government more likely to put us on the highway to industrial peace. Currently we are on the road to nowhere."

Worker participation is here to stay and will gain popularity in the future

William A.M. Birt, general manager for employee relations, Shell Canada, said he found it difficult to understand "why this concept of participation still survives in Canada when, with few exceptions, labour and business leaders seem to want no part of it." In the past fifty years, he observed, "various doctrines of participation, social responsibility, individual development and motivation" were being "woven into the fabric of management functions and skills in North America." But large-scale institutionalization of these practices by statutory imposition would be a "negative and counter-productive intervention."

Birt proposed a "radical change" in the collective bargaining system. There should be some form of centralization "in the resolution of economic issues." With this, the energies of local unions, "no longer required for bargaining major economic factors," could be directed to quality-of-working-life issues. He said this would require enabling legislation. But that legislation should neither specify nor impose these issues: "These must, in concept, be left to the parties." 

CLRB ruling paves the way for unionization of bank employees

by John Clarke

In a ruling of historic precedence, the Canada Labour Relations Board has decided that individual bank branches are appropriate units for collective bargaining under the Canada Labour Code. In doing so, it rejected the argument that banks, because of their special status as national institutions in the world of finance, should be subject to unionization only on a national basis.

The ruling was made on an application by a new union, the Service, Office and Retail Workers' Union of Canada, for certification in seven B.C. branches of the Canadian Imperial Bank of Commerce. The CLRB has not yet granted the union certification — it must still decide whether SORWUC actually has the support of the workers in those branches. It has, however, granted certification to another new union, The Canadian Union of Bank Employees, as bargaining agent for a branch of Canada Trust and Mortgage Company, in Simcoe, Ontario.

The decision to accept applications on a branch-by-branch basis is of enormous importance to the unionization of a number of white-collar fields that up to now have been immune to the labour movement. The precedent will clearly apply to workers in insurance corporations, credit unions as well as all the banks, trust companies and other financial institutions. It may open the way in new fields such as data processing.

John Clarke is a senior editorial writer and labour specialist with the Vancouver Province.

What it means is that a union, whether SORWUC or CUBE, or some other, will be able to organize in all these types of national operations on an office-by-office, branch-by-branch or unit-by-unit basis. It means the union will be able to negotiate a contract at the lowest level of the organization and then apply that contract as a pattern throughout the institution in the units where it is certified.

No doubt the union hopes will be that once it has established an attractive pattern settlement, it will be easier to encourage other branches, offices or units to join the union, simply by waving it before their eyes.

The CLRB ruling does clearly encourage piecemeal unionization, which was what the Canadian Imperial Bank of Commerce feared most in its arguments at the hearings.

The bank argued for a single bargaining unit based on the Commerce's 34,000 employees in 1,693 branches, data centres,

Bigger unions are expected to come into the picture

regional and head offices. It claimed this was the only way to maintain administrative efficiency, convenience in bargaining, lateral mobility for employees and common employment practices.

The bank said branch certification would create "utter chaos", which would be contrary to the public interest. The banking industry, it argued, was the "fiscal fibre" of the country and branch unionization would affect the property rights of all Canadians because it might interfere with "their right to deposit and withdraw money and would disrupt the mechanism our society relies upon for the money necessary to sustain all elements of society."

The CLRB characterized these arguments this way: "The role of the banking industry and its high degree of government regulation is said to be such that the industry should be viewed as a monopoly sanctioned by government with each bank as a quasi-public institution."

In a nutshell, the bank feared that fragmented bargaining structures would undermine the national basis on which banking has been built and interfere with uniformity in practice and working conditions.

But the CLRB said the preamble to Part V of the Labour Code expressly encourages "free collective bargaining" as the best means of developing good industrial rela-

tions in Canada. The board goes on: "This legislative intent can best be achieved by facilitating collective bargaining for employees who choose this procedure for settling their terms and conditions of employment.

"That can be accomplished by this board accepting or fashioning bargaining units that give employees a realistic possibility of exercising their rights under the Code. Too large units in unorganized industries will abort any possibility of collective bargaining ever commencing and defeat this express intention of Parliament...

The CLRB has rejected the bank's argument that unionization should be on a country-wide basis

"The practical reality of the employer's proposed bargaining unit (of 34,000 employees) is that only an organization or movement with the enormous financial resources to operate nation-wide, in a concerted effort, for a long period of time, could make the rights of the Code meaningful for Commerce employees. This in itself is a restriction of the freedom of employees to 'join the trade union of his choice' (Section 110-1 of the Code).

"The history of union activity is that unions begin or are based in a particular locale. To organize on a national basis a union of bank employees would have to start to solicit members in one area and then move outward to other areas. By the time it had encompassed the expansive territorial boundaries of Canada, the employees in the primary locales would have become disillusioned and perhaps

lost interest in any expectation of achieving collective bargaining.

"Because of the turnover of employees at the Commerce and in the industry, a union seeking to act as a vehicle for bargaining would be on a constant treadmill of soliciting new employees and, at the same time, maintaining the support of members while expanding to new areas."

The CLRB said union certification at the branch level should not work against administrative convenience and lateral mobility of employees, which the Commerce used as arguments against branch unionization. As for commonality of terms and conditions of employment, the board said they don't entirely exist now. There are varying pay ranges and "assorted benefit packages" to accommodate individual preferences.

Certification at the branch level should not therefore be prohibited on the ground that it would create conditions which the banking industry wants to avoid, because those conditions already exist.

SORWUC's success has been a stunning surprise even for the labour movement itself. Earlier attempts to organize the banks in B.C. and elsewhere were such dismal failures that larger, older and better financed trade unions have been discouraged from further effort.

But SORWUC was formed primarily by a nucleus of young women dissatisfied with their conditions in the banks. They were not well financed or indeed notably supported by the rest of the labour movement. That will now change because the labour movement sees the CLRB decision as an opening not only for the financial

institutions but for the entire white-collar field.

Organizing will be considerably easier and the bigger unions will

The ruling encourages the piecemeal organizing that the banks have feared

be more prepared to spend money on it because there will be a bigger chance of seeing a return for their investment. If they can crack remaining white-collar resistance to unionism, they will see great new opportunities in the whole service industry field.

The bank industry's fear of fragmented bargaining, with one branch outdoing another in pursuit of wages and conditions, seems much overstated. What is likely to happen is that once collective bargaining has become established, the branches will co-ordinate their negotiations on a district or even a regional basis with the objective of setting uniform conditions.

There's ample precedent for this among other unions. In B.C., for instance, the legally designated bargaining units for the International Woodworkers of America are the local unions. But those locals voluntarily work together through the IWA Regional Council to bargain a master contract in which local issues are later accommodated.

Obviously, that or something like it would be the most rational approach for the bank branch units. Far from fragmenting the industry, it would be more likely to create more uniformity in working conditions than currently exist in the banks. [g]

Eric Trist on the quality of working life

Eric Trist, one of the world's foremost authorities on the quality-of-working-life (QWL) concept, is advising the Canada Department of Labour on implementing its QWL program, one of its 14 initiatives toward a better work environment for Canadians. Trist is professor of

social systems sciences at The Wharton School, University of Pennsylvania, and chairman of its Management and Behavioural Science Center. He was a founding member and later chairman of the Tavistock Institute of Human Relations in London, where he

spent 20 years, and for which he still edits a professional journal. In this interview with The Labour Gazette, he describes techniques for improving the quality of working life and discusses their possibilities for Canadian society.

Canadians are hearing a new vocabulary in industrial relations — words like industrial democracy, co-determination, workers' councils and now this new one, quality of working life. Perhaps you could start by telling us where quality of working life fits in.

There are three aspects of industrial democracy. The one that emerged first historically I call "interest group" democracy. That simply means collective bargaining. It is a form of participation because in a civilized system of industrial relations both parties share power. They don't get all their own way. They reach agreements. In Canada, as in some other Western countries, you have a very strong tradition of collective bargaining, of interest group democracy.

The next form of industrial democracy which emerged I call "representative" democracy, where workers participate in decisions, not at the level of their own work but at a higher level — on a works council, on a committee, or on a board. As you know, that is called co-determination in Germany.

The third aspect I call shop-floor or "work-linked" democracy, because it is linked to the direct

happenings in the work place — how I do my job, how you do yours, how we interact, what amount of say you have in what you do.

It usually involves a group rather than a single individual because even if the worker is doing something that is very much his own thing he is linked to others who are interdependent. So we think of the group as a building block, and the more control the group has over its own operations the better it does its job. It is self-regulating and quasi-autonomous and hence it needs less external control, less close supervision, less fuss from specialists coming in as it enlarges its territory and learns. It doesn't start as a fully-fledged autonomous work group. It builds a path in interaction with management and other people as it expands. There are very few groups that have gone as far as they might. But that's the kind of thing we mean by work-linked democracy — redesigning work, redesigning the relationships with supervision and management, finding new roles, with supervisors as helpers, trainers, philosophers, friends, guides. They manage the boundary conditions of the group, of the work task, rather than trouble shoot right inside.

Do you think these types of democracy are complementary?

The quality-of-working-life concept has been linked to direct participation, to action at the worker's own level. But I would say that it depends on all three aspects and they can be present together or they may be separate.

In different countries there is a very different emphasis on these things. In some they go well together; in other places they interfere with each other. You'll find all three forms of industrial democracy working well together in Norway and Sweden, for example. Some union people feel that if they go in with management and take responsibility for the enterprise they are going to lose the independent role, the capability to take the adversary position. Therefore they will stay away from that.

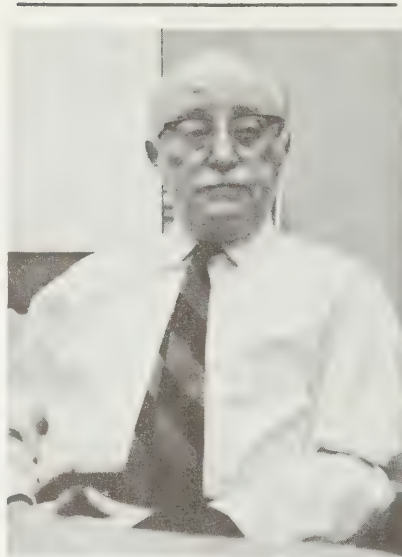
Even though they may be willing to participate in direct changes in the work place, sometimes unions will say: "Just stick with the collective bargaining and the contract; everything else is not on with us." And you'll hear management insist: "Well we're not doing this because we'll have to start surrendering prerogatives. We

don't mind bargaining across the table because we know what we are to each other. But if you start asking us to let you do some of the things that we're used to doing, then we're surrendering power, and we're not going to do it. It's a management prerogative."

The irony seems to be that some forms of democracy are imposed on the workforce by fiat rather than through consultation. Doesn't this seem to be a contradiction in terms?

You certainly get into some real trouble if you introduce direct participation or work-linked democracy by fiat. Just the other day we completed a survey of all the experiments done in a very large American corporation. There have been 60 or 70 of them. We visited one location where, when they started this, they had three or four of these schemes going. They went rather well and then management asked for volunteers for the next group, not only from workers but from supervisors. The unions were a bit squeamish and the foremen were worried about their role identity; they weren't sure what they were going to be. There were no volunteers. But the results had been rather good and in this particular location the plant was having difficulty remaining profitable, so management decided "we are going to it." About ten more work groups were laid on. "You be a work group; you, foreman, you go and do it. We'll give you some training and help you on your way." Well, it worked out for a while, but with layoffs and bumping as the recession came it wasn't so easy to keep them going. We interviewed some of those who were still there three or four years later and we found great bitterness and resentment — both among the workers who had been told to join a work group, and

among the foremen who had been told to behave in this new way.



Advances in technology have made this approach necessary

So there is an example of the kind of aftermath if you do it by fiat, for as you correctly said, it's a contradiction in terms. You can't do this kind of thing unless you get people to understand, unless they believe in it and they think it's going to be a fair deal and they're not going to be exploited.

Could you tell us something about the changes in society that have stimulated interest in shop-floor democracy?

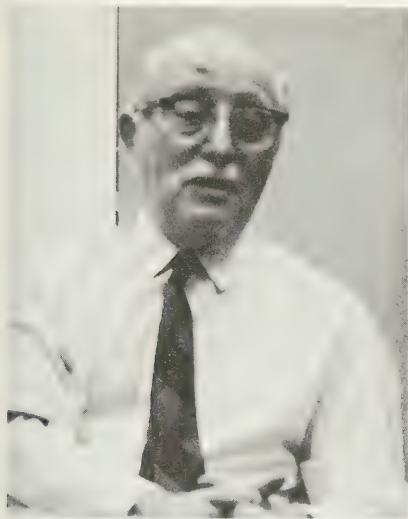
Well it's very largely a result of advances in technology, especially in the science-based industries where there has been so much change in the direction of sophisticated continuous-production plants, and where there is no heavy manual work. You are not there for your manual dexterity. You are, in fact, managing a system with others who depend on you and on whom you can depend.

You are monitoring equipment. You are looking at dials. You are adjusting things when they start to go from a steady state into disturbed conditions. You see this in a refinery, in any chemical plant, in a lot of plants where you have computer controlled machines. To keep complex technological systems in steady state you have to be involved and committed to use perceptual and conceptual skills.

A lot of the work is anticipation of error. In older technologies you could correct error after the event. You could have external controls. The foreman could come around and give you hell because you hadn't done this or that. In a modern advanced-technology plant, you may have lost a million dollars by that time.

In these circumstances, it is necessary that people become more self-regulating, more responsible. They have to have a complete understanding of the system they are working in, not just their own bit. They stand in for each other. To achieve that, you need a self-regulating work group that has a lot of power of decision, to tackle problems before rather than after the event.

When we come to technologies that are less sophisticated — assembly technologies, batch production and that kind of thing — we have found there that with the old methods of work organization — Frederick Taylor's way, breaking everything down into little bits — people get very bored. Persons entering the workforce now have more years of schooling than their parents or grandparents. For example, in the U.S. before World War I when the big immigrant waves were coming over, the average was three years schooling. A lot of immigrants were semi-illiterate and prepared to do



Whether it succeeds depends on the values of Canadian society

anything to become Americans, to make their way. In the second and third generation this is all over. People are not willing to do boring jobs. Canadians are not willing to do that.

In Europe, of course, we have had foreign migrant workers to come in and do that, people from the south of Europe, North Africa, and so on. And in Europe even the docile foreign workers who would do anything eventually got bored. They got disturbed. They were in foreign countries. They formed, as it were, ghetto-like communities that generated social problems. There was a lot of absenteeism.

In Sweden, for example, this was what started Volvo off. The Swedes would not do this stuff. If they were asked to, they would go absent. They got the foreign workers in but that wasn't a solution either. So the president of Volvo got all his people together. "What are we to do?" he asked. "I want answers. We must have less absenteeism, less turnover, less

rework. We cannot afford it. We can't afford the mistakes that are built into our motor cars. We are getting a bad name."

Japan set up quality control service in the early 1960s. When their industry changed they had to have high quality and sophisticated products for the world market. They didn't have a workforce that could do all that yet. The education level wasn't all that high. They'd done relatively simple things. They got scientists and engineers involved and they started improving skills in problem solving, in quality control, in industrial engineering involving groups of workers and their foremen. A few of these groups arose spontaneously in the early 1960s. There are now 800,000 of them involving eight million workers. That's the extent of the movement that has grown to meet the national need.

Your explanation runs in terms of the need to motivate the workforce to meet the needs of modern technology, attempts by management to motivate workers by making their work environment more enjoyable in order to overcome problems such as absenteeism. Isn't this primary emphasis on the needs of management and of technology rather one-sided?

These things in these countries were seen as national problems, as national needs. When we were doing our Norwegian industrial democracy project in the 1960s one of the things we did was take people from the U.K. We were doing a very big project in Shell refineries from the mid-60s onwards. We took not only some of the Shell shop stewards over there but one or two of the district officers from the Transport and General Workers Union. They asked Norwegian trade unionists,

"What are you doing this for?" One of them answered: "For the future of Norway. We are a small country. My contribution is important. We have got to make this industry better or it isn't going to be here." So it's not just management or a parochial interest. Everybody senses an overriding purpose.

But this is not always so. If it just appears as something that management wants, then you are going to have an angry or cynical reaction from the workforce. The quality-of-working-life philosophy values the dignity of work and people at work for its own sake. It says: "We want you to be human. You are human. We don't want you to be treated like a machine."

The industrial system as it was organized and grew up with Frederick Taylor, treats a man as a machine part. He's easily replaceable. The kind of thing I've been talking about emphasizes that people are not machines. They're in a complementary relation to machines. We don't do very well what machines do. Look at a computer. We can't match it in recall or calculating speed or things like that. But if it comes to judgement and intuition, no computer can do it.

So we want men to do the things that machines can't do. That's why I emphasized these advanced technologies, because there you have all the sophisticated machine controls, computer controls you want. You've generated another set of tasks for men. And having realized that, we say, why not treat all work that way so that the work is humanized; that is, it's work fit for men to do. Let's not mechanize it, or organize it some other way. Or if it has to be very dull and dreary, don't let one lot of workers spend their whole lives doing it. We have a choice.

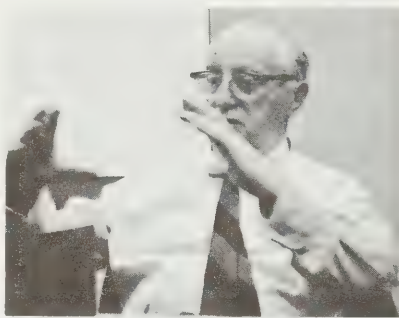
How do you feel about the prospects of this concept developing in Canada?

That means first of all making some kind of an assessment of the basic values in Canadian society and of you asking yourselves what kind of a society you want Canada to become. A few years ago I was in Ottawa with a group of people on a task force for the Privy Council Secretariat. Their job was to come up with some proposals on social policy. We were in a seminar — three or four days' brainstorming and group think — and we very soon found out that we couldn't discuss that problem unless we went into the question of what kind of society Canadians want Canada to be, because policies were only going to be instruments of something.

Well I would say that in industrial life, in the life of all employment organizations — because it involves the public sector as well — you have a choice of going on with the type of work organization that you have inherited — one man, one job, top down, everybody in place, obeying and constrained. Or you can say we don't want the majority of Canadians to spend most of their working lives in jobs like that because it's going to have negative effects on them otherwise. It's going to make them passive. It's going to make them rather unwilling to participate in community affairs, in the wider society.

Because we've got the technology. We know how to do it. There's no problem there. If we take the world of work in another direction, then we will be encouraging people to become active, to use their judgement, to go in for their own personal growth in the work place and not simply in their leisure time. And that will spill over into the rest of their lives. So the

question is what sort of society do you want Canada to become? What sort of people do you want Canadians to be?



No computer can match human beings in judgment and intuition

If you answer the questions in one direction, you will start going for the kind of transformation of the work place that we've been discussing today. But if you want a regimented society, if you want to stay that way, if you want to go the George Orwell Road of 1984, you won't go this way.

And workers themselves are going to tell you this because they are beginning to know that there are options. And the alienation problem, the higher absenteeism, the low productivity, being present physically but really absent mentally, and not caring — all that kind of thing is already around in your society, as well as in other Western societies.

As an outsider I have this hope for Canada — that there are a lot of fairly deep values in Canadian society not only about democracy in the formal constitutional sense. You prefer to be rather egalitarian. You like people to be "with it" and active. On the other hand you don't make a religion of competition and gamesmanship. You don't believe that unless you're winning

against the other fellow you're not a Canadian.

I don't find so much of that here as in some other places, including the United States, which has strong values of competitive individualism. And maybe these have served them very well. But now they may have to look at values of collaboration and co-operation and interdependence more than they have done. I think a lot of learning is going on about that in the U.S. in the 10 years I've been there.

But in Canada I've felt a greater preparedness to re-examine the kind of society Canadians want, though it's not consciously related to what is going on in the work place.

How do you feel about the arguments being put forward in Canada that many people have achieved a high degree of affluence but have found it hasn't brought them the sort of benefits they were hoping for, and they have therefore decided that if they can't find fulfilment by spending the money they've earned in the work place, they're going to reorient themselves toward improving the work environment?

I think that this is happening in varying degrees in all industrial countries. But this movement is only just beginning. We've all been brought up to believe that we must work and that work is the lesser of two evils; that it's a place of "un-pleasure". It's not a place where you fulfill yourself. It's dreary and grim and all that kind of thing. It's like medicine: the worse it tastes the better it is for you. We've also been brought up with the fear of unemployment. In my generation it's very deep. And I think even in this generation unemployment is a ghost, and we've had a recent recession.

On the other hand, your country — like most western societies has established social rights. You won't let people starve; you won't let them fall below a certain point. Now that there are welfare systems, and fairly good pay for what people do, they are open to other possibilities. Just going on having more money to spend in the consumer society only negates itself in the end, and a lot of people are saying: "Well I wish I could use my talents, I wish I could use *me*. Just going to the television box or to mass sports and then going to a dreary job, I'm not getting much out of life." And what I have found is that if people are given a chance to get something out of life at their work most of them get turned on — not all of them. The ordinary guy prefers to do something interesting, in which there's a bit of *him*, that's *developing* him.

How do you see, then, overcoming the resistance which is quite strong, of union leaders and management in Canada? The consensus seems to be that collective bargaining and confrontation is our way

That's partly historical. Unions have evolved to defend themselves against employers perceived as predators, and in the past employers have behaved that way — squeezing the last thing out of workers, resisting every demand. So union leaders have to preserve the tradition of their unions; they're the guardians of everything that's been won over many decades — union recognition, a decent wage, a contract that brought in some benefits, the notion of pensions.

One of the first concerns of unions has always been job security for their members. It still is, and the danger is that if you go

and talk quality of working life to them, and they find that these sort of newfangled experiments mean fewer jobs for them, then they're going to pull you up sharp. They are also going to pull you up sharp if you try to interfere with their rules of seniority. It is the only way they know to ensure fairness. Otherwise you get blue-eyed favourite children of management. Unions will not allow the privileges that they've won to be undermined. And any management or government dealing with unions has to appreciate that and see how they can get new and more things done, yet still reconcile them with the union's views.

Now many union leaders are going to be stubborn; many of them are going to be cynical. But a few of them will see opportunities for the future. Some union leaders are worried about their younger members — the generations that didn't come through the Depression, who haven't experienced hard times as much as their leaders have. The younger workers are restive. And unions have got to think: "Who is going to join us? If we don't get in on the thing, if management starts all the initiatives, the workers are going to say management is now giving us the fulfilling things." Some of the quite eminent trade union leaders that I see from time to time are very well aware of this; others are not.

Union leaders can look into the future too; they can be strategic. They're political people. They have to think on five wavelengths and ten levels at once. Some of them are forward looking; some of them aren't; they're no different from management in that respect. They want to retain power. They are human with the badness of humans as well as the goodness.

If you go on to management it's

the same. They've been used to ruling the roost on their own terms. And a lot of them don't want to give it up. Some of them will not give it up. And when it comes to the crunch, when they



The more control the group has, the better it does its job

begin to find out that quality of working life is not a fantasy, nor motherhood for industry, but something that means their surrendering certain prerogatives, then they will pull themselves out.

But is it really possible to change technology in such a way that workers will find the kind of self-fulfilment you are talking about?

Yes, we know from our experience that technology can be changed. We have learned in the quality-of-working-life enterprise not to accept the technological imperative. We don't take as Gospel what design engineers in the back room have done. I've had a lot to do with designing and redesigning plants. The engineers design it over here. Then you bring it in to the factory, the living factory, and the operating people come on and they just start throwing up their hands because the engineers have got a

lot of things wrong; they haven't consulted the users, the operational management, let alone the workers, who know all kinds of things.

I was present at a design party out in California a year or two ago. It was the eighth plant of a long series of plants that a corporation had built. Who did we have there? We had one or two of the people who had designed the first one and worked in it, with their wisdom. We had some of the people, both workforce and management, who were running the latest one they'd designed. We had the design engineers, industrial engineers, and some union people. They included in designing the organization of the work, what they had learned and what they might do. They were designing not only production technology, but also an environmental technology, and an energy reduction technology. They had to do all these things and they were all in it. But at the moment, that sort of thing is taking place only in rare instances. One of my hopes is that it will take place more frequently.

There are two distinct systems, machines and men. And you've got to match them and marry them. The technological people cannot rule the roost completely. On the other hand, you can't have a human relations crowd ruling the roost either. They are trying to make people happy without touching the work organization. That's my great complaint against the human relations movement. It never did anything about redesigning work.

In Britain, when I first went down a coal mine, in the early 1950s, I went down because I was supposed to be a human relations person. There was a lot of industry being nationalized. The "bad" owners had gone.

Working conditions and pay were better. But there were more strikes than ever; more absenteeism than ever; productivity wasn't going up. People were leaving the pits. When you went down a coal mine you saw all these bad relations being generated by the way work was organized at the coal face. Unless you could change that, you were not going to get very far.

Then we discovered that some of the workers in some coal mines had found a way of doing this, their own traditions, with everybody learning all the jobs. The individual jobs are not that difficult. It's the interdependencies that matter. What is difficult in a coal mine is just keeping alive.



It's getting harder to find people who will do dull jobs

What role do you see the national quality-of-working-life centre playing in all of this?

There are all kinds of things going on here, even if the volume isn't yet great. Some of the quality-of-working-life projects going on in Canada — in several firms and in

the provincial and federal governments — are among the most advanced in the world. Naturally you also look at what's going on in other countries. I have been greatly struck by the understanding of the people I have been working with in Labour Canada. They know they've got to create the enabling conditions to nourish projects, people, feelings, concepts, to get debate going — to find opportunities and develop the conditions whereby organizations and individuals all over Canada can go this way knowing that they've got the active blessing of the federal government through the department primarily concerned, though in association with other departments. It's not up to Labour Canada to do it all by itself.

It's a matter of leadership, not of invading the territory of provincial jurisdiction, but of giving leadership and support, trying to build a network. A network is a very different thing from an empire. Labour Canada, as I understand it, is quite clear that they want to encourage networks of organizations and people in the provinces, in professional associations, in universities, among management, in unions, to try to develop this with others in Canada.

We don't know how it's going to turn out, what path it's going to take. It will be a Canadian path with all the difference and varieties of this huge country — the different conditions in the Maritimes and in Ontario and the special conditions in Quebec and B.C. They'll have to find their own ways. And I think Labour Canada knows very well that this kind of work has to be done locally. The thing is to discover people who want to do it and then to help equip them to do it.

You can't set up a great big Department of Quality of Working

Life here in Ottawa or Toronto — sending people all over the place. You've got to find people on the spot and help them to interact with each other. People learn from each other, you know. They don't come to people like me. If they hear something is happening down the road they want to see it for themselves. Labour Canada wants to encourage the development of a learning process. Labour Canada has to find its proper role; it doesn't entirely know it yet. It's just making a start. And certainly it does not want to create Quality of Working Life as a bureaucratic department inside Labour Canada, but to set it up outside and get other people involved.

The staff of Labour Canada has been all around Europe and the United States looking at the various ways this has been attempted at national level. There has been one way in the U.K., another in Sweden, a different way in Germany and the United States. They've been trying to compare national experiences of the best way to involve a department of the national government with the support of other departments. We know that we will have to find a Canadian way that is not exactly like anybody else's.

We're just now at the point of going from the initial preparations, as it were, into the beginnings of action of building. And everybody's keeping an open mind. We are going to make mistakes. We hope for tolerance of those mistakes.

Is it the intention to pursue just this one aspect of worker participation or is it to go hand-in-hand with other efforts to transform the

working environment of Canadians?

Well it is our intention to build a quality-of-working-life endeavour in Canada and the aim is to improve the quality of life in the workplace, with people having a bigger piece of the action, more of a say in their own work, contributing more, and so producing more. The officials I have talked with don't want a lot of alienated workers. They want satisfied people in Canada for the sake of this society. This is one way to do it. And they know that Canada also has to have more productivity. So that they see these two things as married. You can't get it by the carrot and stick, coercing and pulling. You can get it by the quality-of-working-life route. This is probably the best way to provide the enabling conditions for productivity.

But that is only one aspect. The federal department has 14 initiatives — those are all going to go on. And the preservation and further development of the collective bargaining system is going to go on. It's not instead of; it's as well as.

Are you not disturbed by the sort of bandwagon effect that these things have, and the sort of optimism this generates about quality of working life as the ultimate solution to industrial conflict?

This is a very serious problem everywhere this has been tried, the panacea, the magic. Expectations are raised and then there is disappointment. Every project I have been concerned with myself has raised expectations and then we've had disappointments. Good things

have been done; bad consequences, which we didn't foresee, have happened. There is no magic. There is no panacea.

You will never have a problem-free organization any more than a problem-free person. The agenda changes but a learning process takes place and one gets on to more advanced issues. I think anybody associated with this enterprise has a great responsibility to realize that there is little in the way of magical solutions. It will help people endure the difficulties, the frustrations, the disappointments they are going to run into.

A lot of the famous quality-of-working-life projects got off to a fine start. They've lasted a year or two and then they've gradually petered out. I can show you places after five years where you can't see a ripple. It's as if nothing had ever been there. That's because they've all started in small systems and unless they affect the larger one they're going to be overwhelmed by the larger system. Sustaining innovation is a greater problem than starting innovation. Unless people learn, all of them, and stick at it, then you won't get good results. This is a long-range undertaking. It has to do with deep changes in society.

Do you think there's sufficient realization of that in Canada?

I don't know the scene in Canada well enough to comment directly on that. I would be surprised if there were enough realization, else you would be so much superior to all other countries in this respect that you might not belong on this planet. [g]

Quality of working life: the Air Canada experience

Early in 1974 Air Canada initiated two pilot projects in job enrichment/worker participation in its maintenance base in Dorval, Quebec. These two projects involved approximately 30 mechanics from the International Association of Machinists and Aerospace Workers in two separate and distinct work locations. After one year, the results of the two projects were rigorously evaluated to determine what impact they had had, if any, on productivity, costs, teamwork and job satisfaction. One project was considered by all concerned — management, union and mechanics — to be highly successful; the other less so.

On the basis of these experiments, the company decided to continue with several more pilot projects in 1975, all of which were relatively successful in terms of their specific objectives and the results obtained. More importantly perhaps was the experience gained in designing, launching, and managing programs of this nature, particularly in terms of their implications for the role of the supervisor and the shop steward, management style, the organization structure and personnel policies, and a host of other factors that influence the behavior of people in the work place.

On the basis of these experiences, plus a major undertaking at the Dorval Airport, in which project teams involving management and contract employees planned and implemented major changes in that operation, the company felt it was now in a position to undertake

a much more comprehensive program, which would involve several hundred people. In consultation with the executive of the Canadian Airline Employees Association, such an undertaking was launched in 1976 in the Toronto reservations office. This program was subsequently paradoxically labelled "WIP" (Work Improvement) Program — pronounced "WHIP" by the employees. It has been guided since its inception by a steering committee consisting of both senior management and union executive. The results of the program are now being subjected to an extensive evaluation to determine where things have gone right, where things have gone wrong and also to determine its impact on measures of customer service, organizational effectiveness, and employee/union/management relations.

The union has been directly involved in the design of the evaluation process which is being carried out by an objective outsider attached to a major university and who is an expert in this field.

All of the experiments were relatively successful

The program, which has consumed many hundreds of man-days to date on the part of management, the union and passenger agents, has resulted in changes and modifications to systems and processes, personnel policies, the organization structure and to the

role and jobs of the supervisors and passenger agents.

- There is no master plan or series of mechanical steps to be followed. Each project will take on its own shape and impetus in relation to its own reality: the nature of the work being done, the technology being used, the quality of its management, the existing labour relations climate, the desire and motivation to change.

- The union has a vital role to play in encouraging, supporting and directly participating in such endeavors.

- The possibilities of not only improving an organization's effectiveness, but of enhancing the quality of work life and job satisfaction of its members — at all levels — is enormous but it requires the full co-operation of all, hard work, supreme patience and the courage to fail. In any given project many problems will arise some of which can be anticipated, some of which will be a surprise, some of which will have far-reaching implications.

- Air Canada still has many problems to address and resolve. Problems of how to sustain success where and when it occurs, problems of diffusing and involving greater numbers of its workforce, problems of handling unrealistic expectations, problems of transforming isolated projects into a way of life.

At this point in its history Air Canada intends to carry on with its efforts as long as they continue to




get satisfactory results and enjoy the support of management, unions and employees. Air Canada is learning as it goes along; the jury is still out; the trial goes on.

Having further learned a great deal of what is entailed in designing and implementing programs which will more directly and fully involve employees in the decision-making process and in the management of work, the company has more recently embarked on four more projects in conjunction with the IAM in its Winnipeg Accounting office. These projects involve a total of 60 clerical employees and could eventually involve upwards of 600 people in that location. Other projects are currently being initiated in two other divisions of the company.

In summary then, Air Canada has over the past three years undertaken a number of experimental projects with approximately 600 non-management personnel and with the full backing and support of the unions. Each project has been carefully designed and its impact measured and fed back to all participating parties. Each project has led to considerable learning for all involved and each subsequent undertaking has been built and has evolved from the experience gained in previous projects.

'What appears simple in concept can be very complex in execution'

What has Air Canada learned from these experiments? Carl Johnston of organization development, who has been researching QWL projects in Air Canada, states:

- What appears simple in concept can become extremely complex in execution and highly demanding of time, energy, skill and imagination.
- Before undertaking any such program considerable time must be spent in discussion to ensure that everyone involved has the opportunity to influence the objectives to be pursued and the approach to be followed. Ownership of both on the part of local management, local unions and local employees is imperative. 

Labour Legislation in Canada — 1976

Part 5: Workers' Compensation

by Michel Gauvin

In 1976, Alberta, Manitoba, New Brunswick, Newfoundland, Nova Scotia and Prince Edward Island passed acts to amend their workers' compensation legislation. Amendments were also made in British Columbia, Saskatchewan, the Yukon Territory and the federal jurisdiction.

Coverage

In **Manitoba**, an Act to Amend the Workers' Compensation Act has extended coverage to members of municipal or community voluntary ambulance services. Farm labourers will also be brought under coverage when the appropriate provisions of the Act are proclaimed into force. The agricultural industry will include general farming, dairy farming, stock farms, feed lots, production of beets, potatoes or special crops, custom harvesting, poultry farming, fur farms, landscaping, hatcheries, beekeeping, mushroom plants, green houses, nurseries and market gardening.

Unless an application is made to that effect, Part I of the Act will not apply to (1) a member of a communal farming operation, (2) a participant in a farming operation operated jointly by two or more persons as between whom the relationship of employee and employer does not exist, or (3) a participant in a work or labour exchange arrangement between farmers as between whom the relationship of employee and employer does not exist.

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Earnings ceiling

The increases in the maximum annual insurable earnings have been as in Table 1.

Benefits to dependants

Most jurisdictions have amended their legislation concerning the benefits paid to the dependant(s) of a worker whose death is covered by their workers' compensation scheme.

Effective July 1, 1976, the **Alberta**

Table 1

Jurisdiction	Increase	Date of coming into force
Alberta	from \$13,000 to \$14,500	1/7/76
British Columbia	from \$13,600 to \$15,600	1/1/77
Manitoba	from \$15,000 to \$16,000	1/1/77
New Brunswick	from \$ 9,000 to \$12,000	1/1/76
Newfoundland	from \$10,500 to \$12,000	1/7/76
Prince Edward Island	from \$ 9,000 to \$12,000	1/1/77
Saskatchewan	from \$14,000 to \$16,000	1/1/77
Yukon Territory	from \$12,000 to \$13,000	1/1/77
Federal (Merchant Seamen)	from \$ 9,000 to \$12,000	6/7/76

Workers' Compensation Amendment Act, 1976, brought increases in the income of dependants. The monthly pension payable to a dependent widow or widower receiving compensation in respect of an accident that occurred on or between January 1, 1974 and June 30, 1976, has been increased by a factor of 10.5 per cent. The minimum pension is \$405 per month with no special allowance for dependent children.

If the accident occurred before January 1, 1974, a dependent widow or invalid widower now receives a monthly payment of \$320 plus an allowance of \$90 per month for each eligible dependent child. Foster parents receive the pension and the child allowance just mentioned. If there is more than one foster parent arrangement, the pension is shared and child allowance is paid according to the number of children cared for.

The lump sum to which a dependent widow or widower is entitled in case of remarriage on or after July 1, 1976, has been raised to \$3,840.

When a dependent widow or widower dies or remarries on or after July 1, 1976, a monthly amount of \$90 must be paid to each eligible dependent child who is not being maintained as a foster child.

In **Manitoba**, the dependent widow or invalid widower of a worker who died before January 1, 1974, now receives a monthly payment of \$310 compared to \$250 previously. The allowance for a child under 16 went up from \$70 to \$77 a month and from \$80 to \$88 when he/she is an orphan. The monthly amount paid in respect of a child of 16 years or over continuing his education and still entitled to benefits was increased from \$80 to

\$88 and from \$90 to \$99 when he/she is an orphan.

The allowance granted to a workman's mother who was wholly dependent upon his earnings, has been raised from \$250 to \$310 a month.

In the case of a worker's death that occurred between December 31, 1973 and July 1, 1976, the dependent widow or invalid widower receives the greater of:

- the permanent total disability pension the worker would have received if he had survived; or
- the compensation paid in respect of a death that occurred before 1974 (as outlined above).

The same applies where a worker dies after June 30, 1976, except that compensation is paid without regard to whether the spouse is an invalid or not.

The lump sum payment in fatal accident cases, which had been \$650, payable to the widow or foster parent, has been increased to \$750 for a death occurring on or after June 11, 1976. Also, it has been made payable to the surviving spouse, or if there is no surviving spouse, to the deceased workman's estate or such person as the Workers' Compensation Board determines.

In **New Brunswick**, effective January 1, 1976, maximum burial expenses have been increased from \$500 to \$600, and the payments to the surviving spouse (formerly widow or invalid widower) were upgraded from \$140 to \$250 monthly, with an additional amount of \$50 per month compared to \$40 previously, for each eligible dependent child. Also, the lump sum payment to a surviving spouse has been raised from \$300 to \$500.

Effective July 20, 1976, amendments to the **Newfoundland Workmen's Compensation Act** have increased funeral costs to a maximum of \$500 for a deceased worker and the costs of transporting the body to a maximum of \$150 from a maximum of \$400 and \$125 respectively.

The monthly pension to a widow or invalid widower has been raised from \$225 to \$250. Also, the allowance in respect of a dependent child under 16 went up from \$50 to \$60 per month.

In **Prince Edward Island**, the monthly payment to a widow or invalid widower has been raised from \$150 to \$250, effective April 1, 1976.

The **federal** jurisdiction has increased, by Order in Council, benefits paid to dependants of merchant seamen covered by the Merchant Seamen Compensation Act.

The maximum expenses of burial payable at the death of a seaman have been upgraded from \$400 to \$450.

The monthly pension to a widow or invalid widower has been raised from \$175 to \$250 with an additional monthly payment of \$55 (previously \$45) for each eligible dependent child. The allowance paid in respect of an orphan child entitled to benefits under the Act, has been increased to \$70 per month.

The lump sum payable to a widow or foster mother, in the case of a seaman's death, went up from \$400 to \$500.

In British Columbia, Nova Scotia, Québec and the Yukon Territory, benefits to dependants are automatically increased in relation to the cost of living.

Disability benefits

The legislation governing compensation for disability incurred at work has been amended in many instances. In nine jurisdictions, the minimum compensation for total disability was increased as in Table 2.

In **Alberta**, effective July 1, 1976, all existing permanent disability pensions have been increased by 10.5 per cent with a minimum of \$405 per month for permanent total disability, and a proportionate monthly amount for permanent partial disability.

Effective July 1, 1976, **Manitoba** raised past permanent disability awards by 22.9 per cent for accidents that happened before January 1, 1974, and by 10.4 per cent for those between December 31, 1973 and January 1, 1975. However, this does not apply in respect of a person receiving compensation for a partial disability of less than 10 per cent. The minimum compensation for a total disability that occurred before July 1, 1976 has been increased from \$250 to \$400 per month. For permanent partial disability the minimum is a proportion of \$400 in accordance with the degree of disability determined by the Board, unless the impairment does not exceed 10 per cent.

In **New Brunswick**, the minimum number of days of disability required before compensation is paid has been reduced from four to one day.

As of July 20, 1976, amendments to the **Newfoundland** Workmen's Compensation Act increased by 15 per cent the amount of compensation payable to a worker having a permanent disability in respect of an accident that occurred before January 1, 1974, and by

Table 2		
Jurisdiction	Permanent total	Temporary total
Alberta	\$405 per month (formerly \$365)	weekly equivalent of permanent total*
British Columbia	\$426.20 per month (formerly \$412.43)	\$98.35 per week* (formerly \$95.17)
Manitoba	\$400 per month* (formerly \$250)	\$400 per month* (formerly \$250)
New Brunswick	\$400 per month (formerly \$250)	\$90 per week* (formerly \$45)
Newfoundland	\$379.50 per month (formerly \$345)	\$69.23 per week* (no change)
Nova Scotia	\$284 per month (formerly \$273)	\$82.50 per week* (formerly \$75)
Prince Edward Island	\$60 per week* (formerly \$45)	\$60 per week* (formerly \$45)
Federal (Merchant Seamen)	\$75 per week* (formerly \$45)	\$75 per week* (formerly \$45)
Yukon Territory	\$66 per week* (formerly \$61)	\$66 per week* (formerly \$61)
*or earnings if less.		

10 per cent as of January 20, 1977, in respect of an accident that occurred before January 1, 1976. However, this does not apply in the case of permanent partial disability in respect of which a lump sum has been paid before July 1, 1976.

Medical review panels

Additions have been made to the **New Brunswick** Workmen's Compensation Act which provide for the appointment of medical review panels constituted of a

chairman appointed by the Lieutenant-Governor in Council and two medical practitioners representing respectively the worker (or his dependants) and the employer (or last employer) and chosen in accordance with the Act.

Following a procedure specified in the legislation, a workman, his employer or former employer or a representative of either of them may notify the Workmen's Compensation Board that he is aggrieved by a medical decision it has made. The workman will then be examined by a medical review

panel. This may also be ordered upon the board's own motion.

Similar provisions exist for fatality cases where a dependant or the last employer of a deceased workman is aggrieved by the decision of the Workmen's Compensation Board concerning the cause of death.

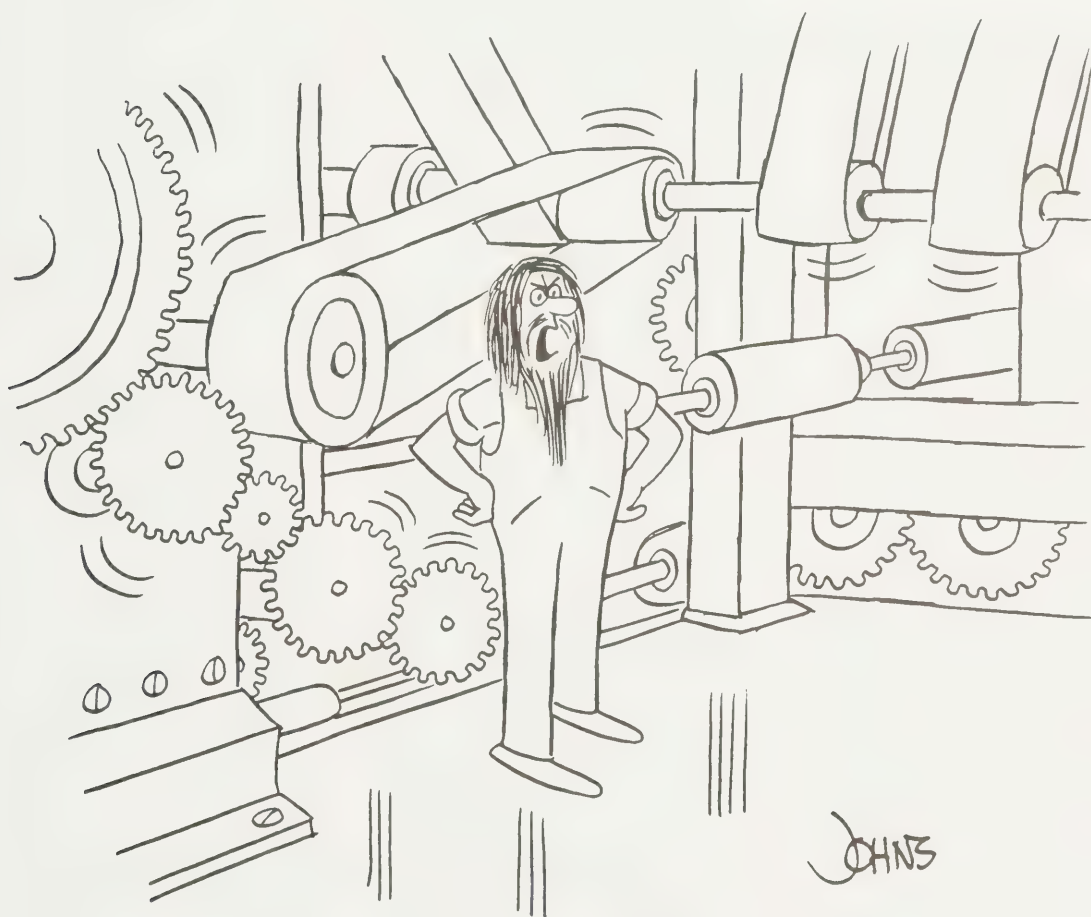
A certificate of a medical review panel is conclusive, binding on the board and cannot be open to question or review in any court.

Compensable diseases

In **Nova Scotia**, a new provision in the Workmen's Compensation Act stipulates that any coal miner who has worked at the face of a mine or in similar conditions for 25 years or more and who suffers from a demonstrable loss of lung function about which there is doubt as to whether or not it is pneumoconiosis or silicosis and which cannot be attributed to any other cause, will be compensated according to his disability.

Protection of workers against legal action

Effective July 1, 1976 an amendment to the **Alberta** Workers' Compensation Act states that when a worker suffers a compensable accident, neither himself, his dependants, his legal representative nor his employer have any cause for legal action against any employer or against any worker of an employer in any industry to which the Act applies.



" I THINK YOU PUT ME IN THIS
SECTION ON PURPOSE ! "

Books

Beyond Industrial Growth

Abraham Rotstein, ed., University of Toronto Press, Toronto & Buffalo, 1976.

The six essays, part of a 1976 lecture series at Massey College, Toronto, focus on the question of what sort of society is possible in a post-growth era. The contributors include such notable Canadian figures as: A.W. Johnson, president of the CBC; Claude Castonguay, former Quebec minister of health and welfare; Charles Taylor, political scientist formerly at McGill University and now at Oxford; George Grant, professor of religion at McMaster University; Senator Maurice Lamontagne and Vivian Rakoff, professor of psychiatric education at the University of Toronto.

The article by Johnson is the most interesting for he challenges frequently held notions about the utility of certain economic models. He suggests that "Economics in Canada as elsewhere, in short, seems to have been drifting farther away from the 'grand issues'." (p.24). Since competing normative values rather than economic utility are the bases for calculations Johnson wisely suggests that social-science-based planning models, rather than market models, are the most comprehensive mode of analysis (p.42). Therefore, terms such as power,

authority and legitimacy are stressed. Paradoxically Johnson leaves out the most important concept, that of communication, from his list. Given the importance of the concept of communications flow in systems analysis, and of course in the CBC, this is a curious omission.

Johnson, in pointing out the common criticisms of the new economics — joint high inflation and high unemployment — suggests a partial cause in claiming that "...we live in a society where the capacity to set prices and wages will not be broken by excessive reductions in demand." (p.39). However to infer from this, as Johnson does, that excessive corporate and union power now exist is to establish a misleading equation. Certainly large unions possess high visibility, perhaps even higher than many private corporations, but such publicity is not the same as power. Therein lies the difference. Corporate power is of a magnitude that far exceeds that of Canadian unions. To assert otherwise is to ignore the concentration of wealth, information and status that exists in our society.

Claude Castonguay's interesting article on social progress also focuses on the interaction between our value system and our economy and notes the decline in traditional work attitudes and growing alienation. He suggests greater decentralization and participation as a method of ameliorating our social malaise.

Charles Taylor discusses the nature of politics in a steady-state economy. In so doing he notes that little progress has occurred in terms of reducing social and economic inequality. Instead, in the past "Our society relies on growth to meet one of the most pressing demands made on it, that for a just and more equal distribution of benefits." (p.51). Such substitute solutions, he suggests, may no longer be possible and he warns that static redistribution is substantially more difficult to achieve. While avoiding the Marxian implications of his premise, Taylor does, however, note the potential for greater turmoil in such a conflict-oriented zero-growth situation.

Senator Lamontagne's weak essay contains a rambling outline of technological inventions and their social impact. This chapter lacks any systematic organization or overview and his choices at times seem random. His omission of any reference to the works of the great Canadian communications scholar, Marshall McLuhan is most disappointing. A few of the books ignored include: *The Gutenberg Galaxy*, *Understanding Media* and *The Medium is the Massage*. Lamontagne's Cold War invective against 'dictatorial socialism' detracts from his otherwise useful main theme of rising expectations fuelling the demand for unregulated growth.

Vivianne Rakoff's article on the Freudian left and George Grant's rambling critique of computers

and technology are also disappointments.

Beyond Industrial Growth is an unsuccessful attempt to discuss two most pressing issues — the social cost of economic growth and the viability of no-growth societies. The range and depth of the articles reflect a less than

inspired choice of viewpoints. Why no senior CIDA official, no communications theorists or scientific figures were chosen seems puzzling. Certainly McLuhan or David Suzuki would have been provocative and perhaps more appropriate figures to discuss such issues. The public, one sincerely believes, would best be

served by a revised and expanded version of this disappointing 131-page book. In the interim it may suffice.

— Alan Whitehorn

Alan Whitehorn is a researcher with the Institute of Canadian Studies, Carleton University, Ottawa.

Research Notes

Collective agreements

Labour Relations Board of B.C., *Annual Report*, 1976.

A study of 1,200 certifications granted in B.C. in 1974 and in the first six months of 1975 revealed that more than two thirds of the bargaining units achieved a first agreement within six months of certification, almost 85 per cent within 12 months, and approximately 90 per cent within 18 months. The study was undertaken in order to arrive at a more informed judgment about the use of the Section 70 procedure of the Labour Code, which empowers the Board to impose "first contract arbitration" in cases where the parties have not been able to engage in serious, good faith bargaining following certification.

Severance Pay Plans in Ontario Collective Bargaining Agreements. Research Branch, Ontario Ministry of Labour, March 1977.

As of December 1976, 26 per cent of 893 Ontario collective agreements, covering 48 per cent of the employees, contained provision for severance pay. Industries in which severance pay plans were most commonly found were rubber,

paper, transportation equipment, transportation, and federal administration. Closure of a facility, lack of work, and termination after extended lay-off were the most commonly listed conditions for granting severance pay. In almost all of the plans, the amount of severance pay was related to years of service.

Dispute settlement

"Impasse Procedures in the Canadian Federal Service: Effects on the Bargaining Process", by John C. Anderson and Thomas A. Kochan. *Industrial and Labour Relations Review*, April 1977.

An analysis of the experience of 49 federal public service bargaining units over four rounds of bargaining provides support for the view that arbitration has negative consequences for collective bargaining. Over the four rounds, the proportion of units settling on their own, with no third-party assistance, steadily decreased. Moreover, in all cases, experience with the impasse procedure increased the probability of relying on third parties in the subsequent round of bargaining. Finally, dissatisfaction with the arbitration

system has resulted in an increasing movement toward the conciliation-strike option. The authors propose procedural reforms in the dispute resolution process, including an equalization of the scope of bargaining under the two impasse routes.

Job satisfaction

"The criteria for job satisfaction: is interesting work most important?" by Bernard J. White. *Monthly Labor Review*, May 1977.

The author questions the validity of the conclusions drawn from a recent U.S. government-sponsored report, which found that the average worker ranks "interesting work" first in importance among 25 job factors. The critical question, he maintains, is not how important a factor is to the worker but to what degree he perceives his need for that factor as currently satisfied in comparison with its importance. Using a measure that takes this into account, the author finds that for blue-collar workers, pay, fringe benefits, and job security are the factors with the largest "satisfaction discrepancy," while interesting work ranks fifth or sixth. The major

satisfaction discrepancies of white-collar workers are opportunities to develop special ability (first); pay (second); enough help and equipment (third) and interesting work (fourth). Fringe benefits and job security, ranked very high by blue-collar workers, are at the bottom of the top ten for white-collar workers.

"Company Satisfaction, Company Commitment and Work Involvement: An Empirical Examination of Blue-Collar Workers," by V. Baba and M. Jamal. *Relations industrielles*, Vol. 31, No. 3.

This study investigates the relationship among company satisfaction, company commitment and work involvement for a sample of blue-collar workers drawn from packaging, power distribution and manufacturing industries in Canada. Using various statistical techniques, the authors find that these factors are related to each other, though attitudes vary according to such factors as age, sex, education, marital status, pay, and experience.

Labour-management co-operation

Breakthroughs in Union-Management Co-operation. Work in America Institute, Inc., May 1977.

Based on a recent conference, this report presents theoretical overviews and case studies of new forms of participation in the workplace. Among the cases discussed are Harman International's Bolivar Project; Dana Corporation's Scanlon Plans; the Joint Labor-Management Committee of the Retail Food Industry; Rockwell International's Socio-Technical Systems Strategy; and the Federal Mediation and Conciliation Service's Relationships by Objectives process.

Low income workers

A Profile of Low-Wage Workers in British Columbia, by C. Aykroyd and P. Stanton. B.C. Ministry of Labour, March 1977.

Based on a study carried out at several Canada Manpower Centres during the second half of 1975, this study details a wide range of personal and labour market characteristics of low-wage workers (defined as persons earning less than \$4.00 per hour). Among the findings: (1) over two thirds of those classified as low-wage workers were women and more than half were under 25 years of age; (2) slightly more than half were single and over 80 per cent stated that they had no dependants; (3) over 80 per cent of the sample had some high school education or better and there was a significant proportion with university or other advanced education; (4) recent immigrants to the province did not appear to hold a disproportionate number of low-wage positions; (5) two thirds of the sample and almost 80 per cent of low-wage women had clerical, sales, or service occupations.

Jobs and Poverty. National Council of Welfare, June 1977.

Fully 60 per cent of low-income family units headed by persons aged under 65 rely on work rather than government assistance for their inadequate incomes. The total number of Canadians in working-poor families is close to one-and-a-half million. This report outlines the differences between the normal labour market and the marginal labour market in which the working poor tend to be employed, and makes a number of policy recommendations. Among the Council's proposals: an income supplementation program; a broadening of labour standards legislation to guarantee a range of

fringe benefits and working conditions similar to those enjoyed by organized workers; improved job creation programs; and increases in retirement income under the Canada/Quebec Pension Plan and OAS program.

Shift work

Social Problems of Shift Work. ILO, May 1977 (mimeographed).

The increase in the number of workers employed in shift work was of the order of 100 per cent from 1950 to 1974 according to an ILO working paper for a symposium on shift work problems. Shift workers may comprise 15 to 30 per cent of the active population, depending on the country concerned. However, this trend could well be reversed as knowledge increases on the human and social costs involved and as people aspire to a better quality of life.

Youth unemployment

Young People and Work. Manpower Services Commission, London, May 1977.

In October 1976, Britain's Manpower Services Commission established a Working Party to consider the feasibility of ensuring that "all young people of 16 to 18 years of age who have no job or who are not engaged in further or higher education should have the opportunity of training, of participating in a job creation program, or of work experience." The report of the Working Party analyzes past employment trends and future prospects, reviews existing services and programs, and proposes a new program of training and work experience opportunities for young people.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations writer and researcher in Kingston, Ontario.

PRICES, EMPLOYMENT, AND EARNINGS

City consumer, May

From April to May, consumer price indexes rose in all regional cities. Increases ranged from 0.4 per cent in Winnipeg to 0.8 per cent in six other cities. Higher food prices — notably for beef, fresh produce, coffee, soft drinks, butter and sugar, and increased shelter charges — were mainly responsible for these increases. Other important factors included higher prices for barber and hairdressing services, seasonal recreational equipment, new cars and for beer and liquor.

In six cities — St. John's, Quebec, Montreal, Toronto, Thunder Bay and Regina — the increase was 0.8 per cent. Percentage increases in the other eight cities were: 0.7 in Halifax and Calgary; 0.6 in Saint John, Ottawa and Edmonton; 0.4 in Winnipeg; 0.5 in Saskatoon and Vancouver. Between May 1976 and May 1977, percentage increases recorded in the 14 regional cities were: 7.4 in St. John's; 8.1 in Halifax; 7.3 in Saint John; 8.5 in Quebec; 8.1 in Montreal; 7.9 in Ottawa; 7.4 in Toronto; 7.7 in Thunder Bay; 7.3 in Winnipeg; 8.1 in Saskatoon; 9.5 in Regina; 8.6 in Edmonton; 8.5 in Calgary; 6.2 in Vancouver.

Consumer, June

The all-items Consumer Price Index for Canada (1971 = 100) advanced 0.7 per cent to 160.3 in June from 159.2 in May. Slightly more than two fifths of this latest increase was due to a 1.1 per cent rise in the food index. The index for all-items, excluding food,

advanced 0.6 per cent. Between June 1976 and June 1977, the total CPI increased 7.8 per cent. Slightly more than one quarter of the 1.1 per cent increase in the food index was because of higher prices for pork products which increased 4.7 per cent on average in the latest month, but were still 4.2 per cent below their level of a year ago. Seasonally higher prices for fresh fruit and increased prices for coffee, tea, dairy products, bread, soft drinks and restaurant meals, also contributed to this latest increase. Lower prices for beef products, fresh vegetables and sugar, partially offset these increases. The index for food consumed at home advanced 1.3 per cent in latest month, and rose 9.2 per cent in the six-month period between December 1976 and June 1977.

Increased shelter charges for both owned and rented accommodation were responsible for a large proportion of the 0.6 per cent rise in the index for all-items excluding food; higher telephone rates in Ontario, Quebec and British Columbia also had a relatively large impact. Notable price increases were also registered for dry cleaning services, train and inter-city bus fares, parking and footwear. Between June 1976 and June 1977, the index for all-items excluding food advanced 8.2 per cent.

In terms of goods and services, the price level of goods, including food, increased by 0.7 per cent in the latest month while that for services advanced 0.8 per cent. Between June 1976 and June 1977,

the price level of services increased 9.4 per cent and that for goods 6.9 per cent. Seasonally adjusted, the all-items CPI advanced 0.4 per cent between May and June. This included a 0.5 per cent rise in the food index and a 0.4 per cent increase in the index for all-items excluding food.

Employment, June

The seasonally adjusted employment level in June was 731,000, a decrease of 18,000 from May, Statistics Canada reported. The level for women 25 years of age and over increased by 2,000, and for women aged 15 to 24, it decreased by 6,000. There were increases of 3,000, among men 25 years of age and over, and a decline of 17,000 among men aged 15-24. By province, the seasonally adjusted employment level increased in Saskatchewan by 6,000; in British Columbia by 6,000. It decreased in Ontario by 19,000; in Alberta by 14,000; in Quebec by 11,000. The level showed little or no change in the remaining provinces.

Unemployment, June

The seasonally adjusted unemployment rate increased by 0.1 per cent to 8.0 per cent (847,000) in June. It declined by 0.1 per cent to 14.4 per cent for men aged 15 to 24 and increased by 0.1 per cent to 13.6 per cent for women in the same age group. For men 25 years of age and over it increased by 0.1 per cent to 5.1 per cent, and for women in the same age group it increased by 0.2 per cent to 7.2 per cent.

Provincially, the seasonally-adjusted unemployment rate declined by 0.9 per cent to 9.7 per cent in Prince Edward Island; by 0.9 per cent to 4.8 per cent in Saskatchewan; by 0.3 per cent to 9.7 per cent in Quebec; by 0.1 per

cent to 4.1 per cent in Alberta; by 0.1 per cent to 7.2 per cent in Ontario. The unemployment rate increased by 1.0 per cent to 15.7 per cent in Newfoundland; by 0.6 per cent to 12.8 per cent in New Brunswick; by 0.5 per cent to 11.1 per cent in Nova Scotia; by 0.5 per cent to 8.3 per cent in British Columbia. The rate remained at 6.1 per cent in Manitoba.

Earnings, April

Average weekly earnings in Canadian industry were \$246.12 in April, an increase of 9.7 per cent from \$224.40 a year ago. Provincially,

average weekly earnings, unadjusted, were highest in British Columbia, \$276.22; Alberta, \$257.83; Ontario, \$246.38; Quebec, \$241.00; Newfoundland, \$237.87; Saskatchewan, \$231.42; Manitoba, \$223.33; New Brunswick, \$223.03; Nova Scotia, \$207.20; Prince Edward Island, \$181.24.

Average weekly earnings in April by industry division, were: construction, \$361.36; mining, \$343.23; forestry, \$323.64; transportation, communication and other utilities, \$285.59; manufacturing, \$262.88; finance, insurance and real estate,

\$227.87; trade, \$189.53; service, \$168.47.

Compared with April 1976, average hourly earnings increased 13.1 per cent in construction, 11.2 per cent in manufacturing and 9.2 per cent in mining.

Weekly earnings in the United States in April, by industry division, were: mining, \$299.40; construction, \$290.40; manufacturing, \$220.80; transportation and public utilities, \$271.20; wholesale and retail trade, \$140.01; finance, insurance and real estate, \$166.62; services, \$154.51.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.70 effective July 1, 1977 \$2.70 effective July 1, 1977
Québec	\$3.15 effective July 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.35	July 1, 1977
Québec	Employees under 18: \$2.95	July 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
<hr/>				
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended May 21, 1977		10,645	+ 2.9	+ 3.5
Employed.....	May 1977	9,822	+ 4.2	+ 2.5
Agriculture.....	" "	488	+ 3.6	+ 3.1
Non-agriculture.....	" "	9,334	+ 3.8	+ 2.5
Paid workers.....	" "	9,562	+ 2.8	+ 10.5
At work 35 hours or more.....	" "	7,376	+ 31.1	+ 369.2
At work less than 35 hours.....	" "	1,960	- 40.3	+ 8.7
Employed but not at work.....	" "	486	- 5.4	+ 14.0
<hr/>				
(change in thousands)				
<hr/>				
Unemployed.....	May 1977	824	- 90	+ 116
Newfoundland.....	" "	30	- 5	+ 5
Nova Scotia.....	" "	35	- 6	+ 4
Prince Edward Island.....	" "	5	- 2	—
New Brunswick.....	" "	36	- 2	+ 4
Quebec.....	" "	274	- 13	+ 59
Ontario.....	" "	277	- 23	+ 48
Manitoba.....	" "	24	- 7	+ 7
Saskatchewan.....	" "	18	- 7	+ 5
Alberta.....	" "	36	- 5	+ 1
British Columbia.....	" "	89	- 20	- 14
Without work, seeking work and available for work.....	" "	750	- 57	+ 125
<hr/>				
percentage change				
<hr/>				
INDUSTRIAL EMPLOYMENT (1961 = 100) ^r	February 1977	139.7	- 0.2	+ 0.2
Manufacturing employment (1961 = 100) ^r	" "	123.1	- 0.3	- 2.4
IMMIGRATION.....	Calendar year 1976	149,429	—	- 20
Destined to the labour force.....	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	April 1977	149	+ 17.3	- 2.7
No. of workers involved.....	" "	38,522	+ 66.3	+ 87.4
Duration in man days.....	" "	341,710	+ 72.3	- 49.0
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	February 1977	242.46	+ 1.3	+ 10.2
Average hourly earnings (mfg.) ^r	" "	6.17	+ 1.0	+ 12.0
Average weekly hours paid (mfg.) ^r	" "	38.9	+ 1.0	—
Consumer price index (1971 = 100).....	May 1977	159.2	+ 0.8	+ 7.6
Index numbers of weekly wages in 1961 dollars (1961 = 100) ^r	February 1977	154.0	+ 0.9	+ 4.3
INDUSTRIAL PRODUCTION ‡				
Total (average 1971 = 100).....	April 1977	122.3	- 0.3	+ 2.6
Manufacturing.....	" "	121.3	+ 0.2	+ 1.7
Durables.....	" "	122.9	- 0.1	+ 0.2
Non-durables.....	" "	119.8	+ 0.7	+ 3.3
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	April 1977	14,961	—	- 24
Completions.....	" "	13,474	—	- 13
Under construction.....	" "	12,407	—	+ 48

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

†Advance data

‡Preliminary

* *Centres of 10,000 population or more

†Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, APRIL 1976

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971.....	547	569	239,631	2,866,590	0.16
1972.....	556	598	706,474	7,753,530	0.43
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976*.....	913	1,030	1,582,631	10,624,130	0.50
1976*					
April.....	75	153	303,957	669,470	0.38
May.....	96	168	265,912	653,010	0.38
June.....	125	233	187,524	1,131,820	0.59
July.....	69	183	78,020	1,271,320	0.68
August.....	78	193	89,791	942,950	0.50
September.....	54	175	136,027	1,738,990	0.97
October.....	49	155	904,953	1,646,500	0.92
November.....	39	129	51,260	491,380	0.26
December.....	37	120	45,352	258,990	0.14
1977*					
January.....	40	95	26,820	201,700	0.12
February.....	39	106	18,605	199,440	0.12
March.....	63	127	23,153	198,240	0.10
April.....	74	149	38,522	341,710	0.20
January-April: 1977.....		271		941,090	0.14
January-April: 1976.....		365		2,489,170	0.36

*Preliminary.

WORK STOPPAGES BY INDUSTRY, APRIL 1977 (Preliminary)

Industry	Num- ber begin- ning during month	Work stoppages in existence during month			Cumulative duration in man- days (Jan. to Apr.)
		Num- ber	Workers involved	Dura- tion in man- days	
Agriculture.....	0	0	0	0	0
Forestry.....	0	1	231	4,620	11,090
Fishing.....	2	2	79	500	20,800
Mines.....	2	5	1,127	7,070	63,360
Manufacturing.....	36	73	20,063	228,450	558,750
Construction.....	10	14	5,781	14,400	39,900
Transp. & Utilities...	2	11	1,862	7,740	31,990
Trade.....	5	11	636	7,600	24,430
Finance.....	0	1	50	800	4,120
Service.....	7	19	3,666	43,940	155,210
Public Admin.....	10	12	5,027	26,590	31,440
Various industries..	0	0	0	0	0
TOTAL.....	74	149	38,522	341,710	941,090

WORK STOPPAGES BY JURISDICTION, APRIL 1977 (Preliminary)

Jurisdiction	Num- ber begin- ning during month	Work stoppages in existence during month			Cumulative duration in man- days (Jan. to Apr.)
		Num- ber	Workers involved	Dura- tion in man- days	
Nfld.....	3	5	650	14,320	91,650
P.E.I.....	0	0	0	0	0
N.S.....	2	3	50	420	790
N.B.....	2	2	180	350	3,320
Québec.....	28	58	14,967	169,850	469,240
Ontario.....	25	50	16,419	100,490	242,460
Manitoba.....	0	1	145	2,900	14,910
Saskatchewan.....	7	9	1,246	2,210	7,240
Alberta.....	1	4	424	6,680	21,110
B.C.....	4	7	2,001	27,440	40,740
Yukon & N.W.T.....	0	0	0	0	0
Total, provinces....	72	139	36,082	324,660	891,460
Federal Public Service(1).....	2	2	260	1,040	2,630
Federal Industries(2).....	0	8	2,180	16,010	47,000
Federal total.....	2	10	2,440	17,050	49,630
TOTAL.....	74	149	38,522	341,710	941,090

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States; the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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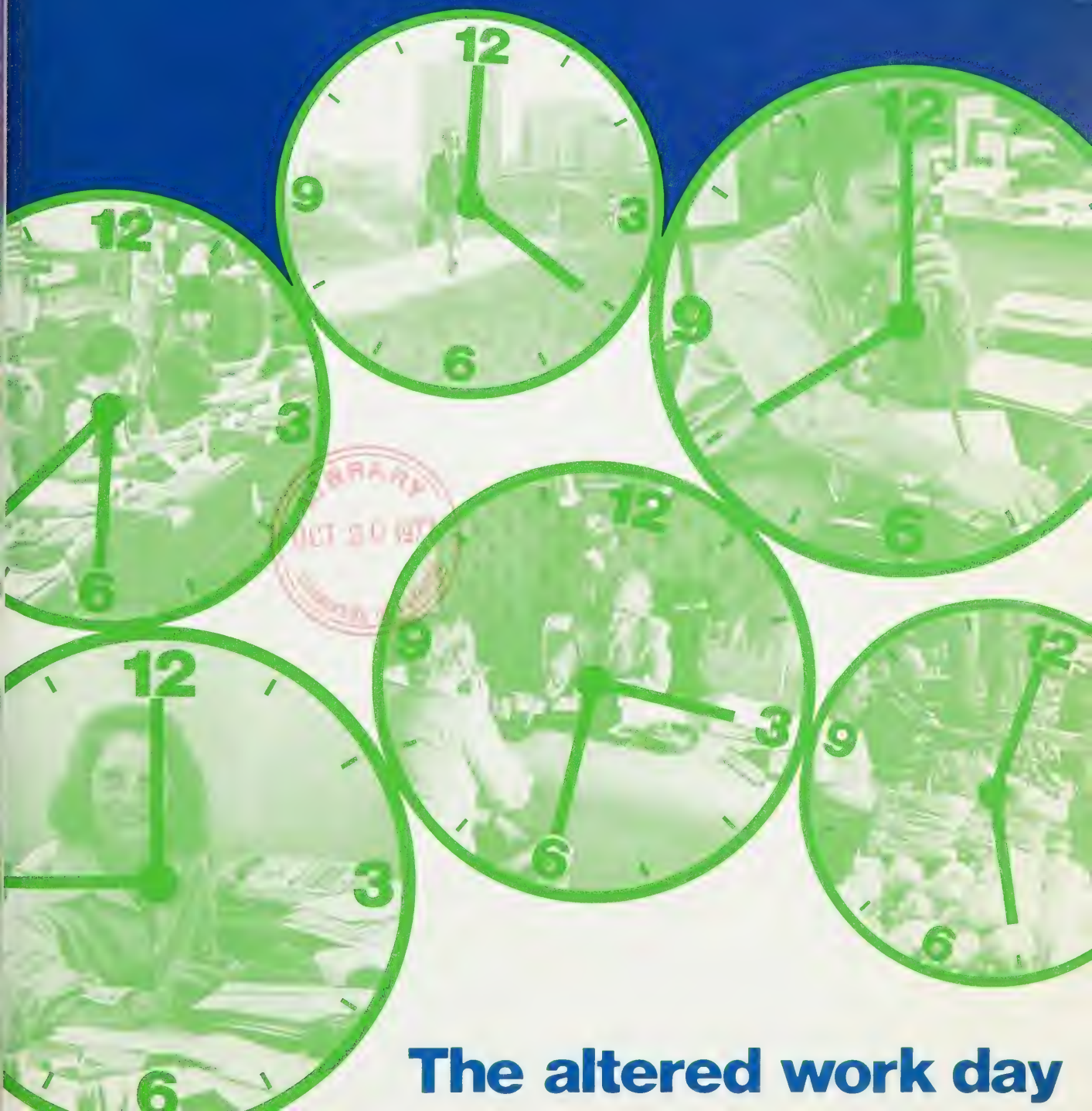


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WORK STOPPAGES

New record

Revised figures published July 21 by Labour Canada show that direct time loss from work stoppages due to strikes and lockouts amounted to 11,609,890 man-days in 1976, the highest annual figure ever recorded. Included were 830,000 man-days lost by the October 14 national day of protest against the anti-inflation program. The total man-days lost represented 0.55 per cent of total working time. The number of work stoppages during the year was down from the previous two years, however.

Canada Manpower's neutrality in question

The venerable Hotel Vancouver, the city's oldest major hostelry, reopened on Monday, July 18, after a five-week-long strike. It was the first in 28 years and at one stage it threatened to become violent when the strikers and supporters from other unions objected to Canada Manpower offices supplying workers to replace those on the picket lines.

Because of the threat of violence and because of "incidents" between strikers and guests still trying to use the hotel, it was closed June 24. Eventually the dispute was settled quietly by industrial inquiry commissioner, Vancouver lawyer Bryan Williams.

The 475 workers, members of the Canadian Brotherhood of Railway, Transport and General Workers, will receive slightly more than 6 per cent a year in salary increases in a two-year agreement.* The hotel had offered no pay increase before the strike started, pleading that its labour costs were already out of line compared with other hotels. Payroll accounts for between 30 and 40 per cent of revenues on the average in the hotel industry. At the Hotel Vancouver they amount to 60 per cent.

It's likely the staff will be pruned in an effort to improve productivity. The level of personal service is very high, which is thought to be one of the reasons why this older hotel has been able to compete for business with newer, flashier and probably more efficient hotels. But with hotel rates in Vancouver already among the highest in North America, the "lots of staff" style may have to be replaced with less luxurious service.

There's no indication yet what the CBRT reaction would be to staff cuts. But the Hotel Vancouver has a high proportion of long service employees and the likelihood is that attrition will reduce the staff naturally without much need of cuts.

This difficult dispute has left its mark on labour relations not only in B.C. but in Canada. It raised a

* The pay raise percentages apply to current scales of \$4.51 an hour for waiters, \$4.81 for chambermaids and \$5.20 for cooks.

serious question about the role of Canada Manpower in collective bargaining.

Under the Unemployment Insurance Act, Manpower is required to carry out its job-finding work without discrimination. Gordon Hubley, acting director-general for Manpower's B.C. region, went further by saying the department is under "precise instructions" on how to conduct itself in industrial disputes.

"The department must maintain a position of neutrality," he said. "We are obliged to accept job orders from the employer and tell our unemployed clients about job opportunities, while at the same time letting them know when an industrial dispute is in progress."

The question is whether, in supplying labour to a strike-bound employer, Manpower is actually being neutral. Under the B.C. Labour Code, it could be considered an ally and therefore subject to legal picketing, even though it would have no interest in the outcome of the dispute. The CBRT strikers threatened to picket the Manpower offices but never did so.

Federal law is confusing on the issue. The whole purpose of the Canada Labour Code is to regulate collective bargaining in a way that breeds trust and understanding between labour and management. Federal labour ministers down to the present incumbent, John Munro, have said that the best way to improve the industrial relations climate is to develop more mutual trust between the main participants.

B.C. unions, in the wake of the Hotel Vancouver dispute, argue that Manpower has been acting contrary to the objectives of the Labour Code and the federal labour department.

The situation is further confused by the fact that destitute strikers often get welfare benefits under the Canada Assistance Act. The legislation doesn't exclude strikers. Yet welfare aid can tend to prolong a strike against the interests of the employer and it therefore breaches the neutrality rule.

The issue never came to a head in the hotel dispute because Manpower bowed out when the hotel was closed. But it's expected to arise again and again as employers try to keep operating behind picket lines with the help of labour provided by Manpower. When it does, the B.C. Federation of Labour says it's ready to fight it by whatever means it considers "appropriate."

— **John Clarke**
Vancouver

UNIONS

Growth slows

Union growth slowed down during 1976, the first full year of the Anti-inflation program. Labour Canada counted 3,149,213 union members in the country at the start of 1977, an increase of 3.5 per cent from 3,042,272 at the beginning of 1976. The increase between 1975 and 1976 had been 5.5 per cent.

Union members in 1977 represented 31.0 per cent of the total labour force and 38.2 per cent of non-agricultural paid workers. Both percentages are marginally higher than the 1976 figures of 30.6 per cent and 37.3 per cent respectively.

In 1977, there were 2,163,539 members in unions affiliated with or directly chartered by the Cana-

dian Labour Congress, representing 68.7 per cent of total union membership. The Confederation of National Trade Unions had 172,714 members in affiliated federations, or 5.5 per cent of total membership. Another 2.1 per cent of union membership was affiliated with other central labour bodies. The remaining 23.7 per cent of union members were represented by unaffiliated national and international unions and independent local labour organizations.

Unions with headquarters in the United States accounted for 49 per cent of total Canadian membership in 1977, compared with 49.6 in 1976 and 51.4 per cent in 1975. A membership of 50,000 or more was reported by 18 unions at the beginning of 1977, and they accounted for 52.1 per cent of total membership.

The unions with the largest membership, in order — Canadian Union of Public Employees, 228,687; United Steelworkers of America, 193,340; Public Service Alliance of Canada, 159,499; United Automobile Workers, 130,000; National Union of Provincial Government Employees, 101,131; United Brotherhood of Carpenters and Joiners of America, 89,010; International Brotherhood of Teamsters, 86,603; Quebec Teachers' Corporation, 85,000; International Brotherhood of Electrical Workers, 63,914; Ontario Public Service Employees Union, 63,340; Labourers' International Union of North America, 61,169; Social Affairs Federation, 57,500; International Woodworkers of America, 56,741; Canadian Paperworkers Union, 56,000; Service Employees International Union of Canada, 55,000; International Association of Machinists and Aerospace Workers, 54,819; Canadian Food and Allied Workers, 50,000; Retail Clerks' International Association, 50,000.

HEALTH AND SAFETY

Finn report tabled

The report of the Finn Commission of Inquiry into health and safety in grain elevators was tabled in the Commons June 2. It makes several recommendations, including a call for more research into the effects of smoking and of exposure to grain dust. Other proposals: pre-employment medical examinations, regular medical examinations after employment, improved fire-fighting facilities, better noise control and improved dust control systems.

Labour Canada had appointed Dr. Liam Finn to conduct the one-man inquiry commission in 1975 after an explosion and fire in the workhouse and elevators of Burrard Terminals, Limited, Vancouver. In May, 1977, a five-year study of health hazards was initiated at the elevators at Thunder Bay, Ontario.

PENSIONS

Quebec Act amended

Quebec residents who continue working after age 65 may still receive a full pension under an amendment to the provincial pension Act passed July 18 by the National Assembly. Judge Gill Fortier, president of the Quebec Pension Board, told a July 26 news conference that 10,000 of the 280,000 people receiving pensions under the Quebec plan are affected by the change. Previously an "earnings test" was applied whereby a pension was reduced if a beneficiary earned more than an exempted maximum.

The amendment also permits people in the 65 to 70 age group to continue to contribute to the pension plan as long as they do not apply for a retirement pension.

POVERTY

Guaranteed income recommended

The National Council of Welfare says the most urgently needed step to help the working poor is an income supplementation program that will guarantee each of them "at least a poverty-level income." The council, a citizens' advisory body to the minister of national health and welfare, takes this stand in a 38-page report released June 13 under the title, *Jobs and Poverty*.

"Including the 513,400 wage earners who are family heads, the total number of Canadians in working poor families is close to 1½ million," the report says. It finds the working poor are part of a "marginal" labour market of small employers with rules and structures different from those of the normal labour market in which better-off workers are hired. In the marginal market, wages are low, layoffs are frequent and opportunities for promotion almost non-existent.

Nor are these workers adequately protected by minimum-wage laws: "As vital as such legislation is to prevent the exploitation of low-income workers, it can never solve the income problems of all working families, particularly since they have, on the average, more children than non-poor families and are more likely to experience part-time or part-year unemployment." Any measurement of poverty must take family size into account, the council observes.

The council also recommends that the Canada and Quebec pension plans be improved to guarantee a secure retirement to all workers, that labour standards legislation be strengthened and enforced more strictly, and that direct job-creating programs be redesigned. Such programs have a "significant potential," according to the report, but their greatest present shortcoming is "the relegation of these jobs to a temporary, second-class status because of the insistence that they pay minimal wages and not compete with the private sector."

The report also calls on governments, unions and employers to explore ways of reorganizing jobs in the marginal labour market. And it notes that federal and provincial governments have been discussing income supplements to the working poor for four years. "It is time for talk to cease and action to begin," the council pleads.

EMPLOYMENT

Increases likely in brain drain

Job openings for executives, accountants, engineers and other professionals increased by 8 per cent during the 12 months ended June 30, 1977, but declined by 2 per cent during the final three months of that period, the Technical Service Council reports. The non-profit national personnel consulting and placement service, run by industry, makes quarterly surveys of 1,500 companies.

"Many industries have idle capacity so that little change in the number of job vacancies is expected for the balance of the year," the Council reported. It also said the "uncertain" economy has made both employers and job

hunters cautious: "Employers attempt to minimize risks by insisting upon experience directly related to their industry. Candidates are equally selective, and many job offers are being turned down."

The Council also predicts that many Canadians are likely to emigrate to the United States as a result of an amendment to the U.S. Immigration and Nationality Act that has reduced the waiting time for a U.S. visa to about six months. As late as December 1974, the Council says, "Canadians who had been approved by the U.S. Department of Labor had to wait up to two and a half years to emigrate. This delay discouraged American employers from sponsoring Canadians for specific jobs." A major purpose in founding the Council in 1927 was to combat the "brain drain" to the U.S. of Canadian scientists and executives.

Women's participation increases

The increased participation of women in the Canadian labour force is reflected in the 25 tables in a new publication prepared by Labour Canada's Rights in Employment branch.

Some examples: The female labour force in 1975 constituted 44.2 per cent of the female population aged 15 years or more, up from 31.3 per cent in 1965; 41.6 per cent of married women in the population were in the labour force, an increase from 25.2 per cent a decade earlier; and in the 25-to-54-year age group, 82 per cent of all single women and 46.2 per cent of all married women were in the labour force.

In 1975, 20.3 per cent of all employed women worked part-time compared with only 5.1 per cent of employed men. Participation rates

for women in the labour force ranged from 49.2 in Alberta to 31.3 in Newfoundland, up from 40.3 per cent and 24.3 per cent respectively in 1970.

The 65-page report is entitled *Women in the Labour Force Facts and Figures, 1976 Edition Part 1 Labour Force Survey*.

Tips for job seekers

The current state of Canada's labour market has meant layoffs for hundreds of engineers, scientists and managers, many of whom have had little experience at job hunting. They are offered some sound advice by N.A. Macdougall, general manager and director of the Technical Services Council. Macdougall says it is important to work hard at job hunting, and to make a lot of contacts in a short time. He also observes that some employers take a long time to make up their minds — sometimes up to six months — and that 50 per cent of them don't reply to applications.

Macdougall also has these specific tips for people looking for professional employment:

- "Prepare a good resumé, usually no more than two pages long. It may save filling out many application forms. Omit your salary requirements and job objectives. They might restrict your search. But don't leave out months of employment and other vital information.
- "Organize your finances for a long hunt. One senior engineer, in the second month of layoff, didn't have cash to pay the rent on his \$375 per month apartment. 'No managerial ability,' concluded a prospective employer.
- "Register with one or two major

placement services. Look for ones that will represent you well. Listing with too many may cheapen your services. If unemployed, don't rely exclusively on them. Watch advertisements and also apply to selected employers.

- "Don't forget the hidden job market. Even in slack times, people resign, die, retire, and get transferred every day. Use directories like the Canadian Trade Index to write to employers on speculation, then phone for an interview a week later. Over 20 per cent of jobs obtained by recent university graduates came from this method.
- "Set realistic job objectives and salary requirements. A 50-per-cent raise happens only in novels. A 10-per-cent increase in changing jobs is much more common. Specialized, government or armed forces experience may bring lower offers.
- "Read between the lines of employment advertisements. Junior and intermediate jobs outnumber all other kinds. About 75 per cent of advertised jobs offer under \$21,000. When no salary is quoted, watch for signs that the job is senior enough for you.
- "Prepare yourself for interviews. Know the sort of questions that employers ask. If you get nervous in interviews, have a friend take the part of an employer and practice.
- "Don't be too firm about location. The best jobs are not necessarily confined to metropolitan centres, or to the places where you live. If you won't move, realize that it will slow your search. A \$20,000 engineer and a junior economist were each out of work for two years because they refused to consider jobs outside Toronto.
- "Know what employers expect. Most companies are willing to train engineers with zero to three years' experience. The more senior the job, the more firms insist upon experience applicable to their operations. Many feel that a \$17,000 person should produce almost immediately. Imagine what an employer wants before you apply; then emphasize experience that you have that is applicable. If you are senior, and don't have much applicable experience, you may be wasting your time in applying. Universities and governments are usually less particular.
- "Don't depend too much upon others. If a friend says there are no jobs in his company, don't take that as a final answer. Many positions are created when the right person comes along.
- "Plan your time. Make at least five job contacts per working day. Work particularly hard at first so that most contacts will materialize around the same time. Then you can compare them. Nothing is more frustrating than to be offered a \$20,000 job after you have just started a \$17,000 one.
- "If you are very senior or have hard-to-sell experience, consider going into business for yourself."
- "Don't slacken your job hunt if the firm in which you are keenly interested expresses interest in you. One candidate went to seven out-of-town interviews at his own expense over a six-month period. Finally, the company told him it didn't need anyone after all. About 25 per cent of professional job openings are cancelled without being filled from any outside source.
- "Enlist your friends and contacts at professional and trade associations. People who have known you for years often don't know much about your experience. Give them a resumé which they can pass on to a prospective employer."

INDUSTRIAL DEMOCRACY

Education for participation

A Swedish trade unionist says legislation providing seats on company boards for employee representatives will not, by itself, ensure industrial democracy. If the legislation is to have any practical effects at the shop-floor level, unions must become "schools of employee participation in decision-making and industrial democracy," according to Birger Viklund, a secretary to the Swedish Metal Workers Union (Metall) and a former labour attaché to the United States.

"This process is already under way," he writes in *Current Sweden*, monthly publication of the Swedish Institute. "Never before have shop stewards been given such concentrated schooling to prepare them for board-room negotiations on work organization, personnel policy, investments, marketing and other matters previously regarded as management rights and, accordingly, as the private concern of the employer."

To Viklund, this is essential if the legislation is to result in the individual worker having more say regarding his working conditions: "The opinion within the Swedish trade union movement is that the willingness and ability of union members to assume responsibility and exercise their democratic rights are directly related to the state of their knowledge."

He describes the Swedish version of participation in decision-making as a movement from the bottom upwards, "emanating from the individual worker and union member, rather than a question of sitting in the board room and

deciding things together with the shareholders." Therefore, he maintains, the new employee participation in decision-making and the new forms of industrial democracy have to form an integral part of the total union educational system.

"There must not be any education gaps between the man on the shop floor and his union representatives, whether the latter be worker representatives on the company board, shop stewards negotiating piece rates, members of the economic committees, co-planners of the new works or co-inspectors of the new chemical compound which the company wishes to introduce into its production process," he writes.

Above all, he warns, employee participation must not result in a small clique of union members monopolizing information and knowledge — "so that the safety steward becomes a monitoring specialist and the shop steward becomes a study expert among many other experts." Trade union education "must constantly steer clear of the danger of educational gaps developing between union officers and their union members."

Viklund estimates that within Sweden's central labour body, LO, which has 1.9 million members, about 50,000 members need to be trained every year for union appointments of one kind or another. Since only 10 per cent can be admitted to existing central residential courses, additional residential courses at the local level are recommended by Viklund. He also says 15,000 members will have to be trained as tutors or study circle leaders if every union member is to be given a basic trade union education, an objective adopted by LO's 1976 congress.

He describes plans to extend LO's

educational programs, and LO's hopes for their financing:

"The ultimate responsibility for union studies will remain vested in the trade unions, but the LO schools are to be responsible for development work on new types of courses, for the arrangement of courses requested by the smaller unions and for further training in the form of six-week and three-month general courses. Worker members of corporate boards and economic committee members are also to be trained centrally at the LO schools. LO already has five union schools, but the coming expansion will require the establishment of new ones.

Who is to pay for all this? LO and other union schools already receive a certain amount of government assistance, but all loss of earnings compensation, except in connection with the training of safety stewards, worker members or corporate boards and economic committee members, is financed by the unions. The ILO congress has said that in the future, trade union studies should be financed out of production by means of an extra employer's contribution charge."

Viklund's own union, Metall — Sweden's largest, with a combined membership of one-half million — had already decentralized its educational activities into 22 regions before the 1975 LO congress: "The old system, which catered for a good 10 per cent of the union's members suffered from an excessively fragile link with local preparatory training and other educational activities, the reason being that the study-circle activities focussed excessively on current issues for new study material every year. Everybody joined the 'issues' course, to the detriment of basic general union studies and the general educa-

tional needs of the local organization. Many union members joining the residential courses lacked the necessary previous knowledge and study routines. "So far basic education designed for all union members has only been conducted on an experimental basis within a few companies within the metal industry, where it has totalled seven paid working hours. Further experiments are to be started in more companies, and the number of hours will be raised to 16."

Metall has prepared a complete package of study-circle material for its new round of basic union education. And it hopes to make 90 hours of unified basic union education available to its members in every educational region. It has also decentralized its former one-week residential courses down to the level of the regions and it has combined its study circles with the local or regional residential courses. The union has also involved 9,000 active members in three-day information conferences on the new Law on Employee Decision-Making, and charged them with returning to their workplaces and passing their knowledge on to their fellow workers.

AGE

"Sociogenic" aging

A U.S. psychiatrist says the aged suffer less from physiological aging than from "sociogenic" aging — "the role that our folklore, prejudices and misconceptions about age impose on 'the old.'"

"As they are well known to be unemployable, we won't let them work," Alexander Comfort, a fellow of the Institute for Higher Studies, Santa Barbara, Calif., writes in *Social Policy*. But useful paid work

is the best "preservative" of all for aging people, and is also a way to ensure that they have enough to live on, he argues.

What society calls "retirement" is really "compulsory unemployment," he adds, but in two worlds old people went back to work "with excellent results to their health and to the national economy."

Comfort also contends that senior-employment programs have demonstrated that new jobs "are capable of creation for seniors without depleting the supply of jobs" for younger workers.

QUALITY OF WORK LIFE

Group production methods successful

A study published by the International Institute for Labour Studies finds that introducing group production methods in industry not only contributes to the humanization of work but also produces major economic advantages. It also facilitates the application of other methods of humanizing work, particularly shop-floor participation and job design.

John L. Burbidge of the International Institute of Labour Studies found 477 enterprises in 32 countries that were using group production methods instead of "mass" assembly lines. His 18-page report, based on visits to 54 of them, is published under the title *Group production methods and humanization of work: the evidence in industrialized countries*.

Burbidge notes that the new group

Old people are much more capable of working than most Americans recognize: "In the absence of ill health, such as untreated high blood pressure, aging has no adverse effect on intelligence or learning power.... Working capacity, unless it is impaired by ill health, is retained and performance in work is high."

Comfort proposes one meaningful job every "retired-unemployed" American can take up immediately — political and social action to bring about the needed reforms, including attitude changes, that would return old people to the mainstream of society.

production methods come from two different sources: "Some of these groups were formed by production engineers for purely economic reasons but also gained an increase in job satisfaction because the workers preferred the new arrangement to the old traditional forms of organization. Other groups were formed by behavioural scientists, with the main aim of humanizing the work. Most of these cases also achieved economic gains."

He concludes: "It does seem possible that in group production a new form of organization has been found which will help to solve both economic and social problems."

Use of QWL assessments spreads in U.S.

Assessments of the quality of working life are widely used in the United States and have led to an enhancement of the work life experience of many employees, according to Prof. Stanley E. Seashore of the University of Michigan's Institute of Social Research.

Until now, such assessments have been mainly at the level of the local enterprise "and within the context of local values and purposes," he writes in a 10-page monograph, *Assessing the quality-of-working-life: the U.S. experience*, published by the International Institute for Labour Studies. However, growing public interest in the concept will, he predicts, produce some standardization of measurement methods and some means of accumulating quality-of-working-life indicators for different sectors and regions and even for the entire country.

Seashore contrasts the U.S. experience with that in countries where assessments have been "national in focus, political in context, strongly linked with explicit issues of social philosophy" as well as in other countries where the emphasis has arisen from a "social accounting or social indicators perspective relatively free of explicit social or political commitments and focused upon the objective reporting of trends and contemporary states of society." By contrast, assessment initiatives in the U.S. have arisen primarily from managers "motivated by their concerns for their organizational effectiveness."

He describes other features of the U.S. practices: There has until recently, been little influence "reflecting public interest or policy considerations;" assessment has been treated largely as "an optional matter of local management practice, not as a public obligation;" until recently, unions have refrained from active interest "except as the assessment appeared to aid or undermine the contractual and grievance negotiating relationship with management;" the results have been largely private and unpublished "so that national, sectoral or

regional indicators remain unavailable;" the focus of assessment has been limited to individuals and work groups "to the exclusion of attention to the unemployed, to the principal segments of the work force population, to the communities and families that may be implicated."

The application of this "employee survey" approach to the assessment of the quality-of-working-life has been under way in the U.S. for four decades. And Seashore says it is now apparent that the great majority of larger establishments, both public and private, have made some use of employee surveys and that many now have provisions for continuous or frequently repeated surveys: "It has long ceased to be a novelty or primarily a 'research' rather than a 'management' activity, and it has an established place among the roster of activities associated with information gathering, performance surveillance and policy review functions of management."

Now, however, the quality of working life is no longer viewed as an entirely local and private matter between the employee, his union and his employer: "The shift arises in part from a growing awareness that the single work establishment is not always a suitable economic unit for calculating the costs and benefits relating to changes in the quality of working life, for significant costs and benefits accrue to individuals and organizations outside of the single enterprise or to society at large. For example, the stressful job that induces premature death or recurrent morbid depression imposes costs on others that are not accountable within the firm or over a short span of time. To sustain a significant improvement in the quality of working life better information will be needed about the delayed and


diffused consequences that are associated with conditions of work life, and better comparative information about the experienced costs and benefits among organizations with currently different practices. The former will require intensive study in detail of local conditions of work in relation to off-job criteria; the latter will require some standardization of the presently diverse measurement methods and some means for accumulation of public indicators for different sectors, regions and for the nation."

Seashore expects these needs to be met "through the stimulation of government funding and guidance or, in a more limited way, through spontaneous collaboration among researchers and professionals."

WORKING TIME

One fifth spent working

A typical European worker spends only about one-fifth of his time at his workplace, according to a study by the International Organization of Employees. The Geneva-based organization says this assessment does not take into account days off through illness.

The figure can only be an approximation since working hours and holidays vary among countries and industries. But the Organization says the normal work week in Europe can be considered as 40 hours and the normal annual holiday entitlement four weeks. Public holidays account for another two weeks. Given these assumptions, the Organization estimates a working year of 1,840 hours out of a total of 8,760 hours. 

The altered work day

by Linda Rheame

The old familiar work day is shifting and sliding all over the clock. The work week is shrinking and shouts of "Thank god, it's Thursday" are heard in the hallways. And yet, the anticipated revolution in the workplace heralded by flexible hours and the compressed week is moving ahead more slowly than expected. Why?

The new work schedules do fulfill many, though not all of their promises, and only a small percentage of companies that have tried them have returned to conventional patterns. But in North America today, workers hesitate to demand new freedoms when competition for jobs and promotions is high. The labour movement is divided on the issue (especially over the compressed week). Labour laws which entrench the eight-hour day, and the intrinsic conservatism of the work place also contribute to the slowdown in the introduction of innovative work patterns.

In theory, the concept is a straightforward exchange of increased freedom for workers in return for higher productivity. If alternative work schedules boost workers' morale and extend hours of service to customers at no extra cost, everyone wins. The expanded work day alleviates traffic burdens on highways, transit systems, company parking lots, elevators, and most importantly, on human beings seeking to escape stress and recapture lost leisure time.

For industry, varied work schedules can mean increased plant productivity without extra

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capital investment. Plants can hum along for seven longer days, while their employees put in three days at work and four days on the ski slopes. Scheduling production around individuals' personal plans is complex, but the co-operation that necessarily evolves among workers and supervisors should contribute to superior working relationships. Canadian companies on alternative work schedules say they are an added advantage when recruiting. Proponents boast other benefits too, such as reduced absenteeism and labour turnover.

One of the leaders in the field of rearranged work systems is Willi Haller, a German "time and motion" expert. "It makes people human again," he says. "It is nothing less than the revolution of the working man." Haller believes we should start thinking about work in terms of the job to be done, of assignments, rather than as a fixed daily schedule.

Flexible working hours allow working parents to shift their schedules so that one parent is home when their children get back from school. This is a special concern of a Cornell psychologist, Urie Bronfenbrenner, who says, "Women are going to work, and they deserve to do so. Yet we keep

First-line supervisors are the ones who suffer when flextime is adopted

the old male work rules, nine to five, 40 hours a week, and if there's overtime you do it or you don't keep your job. Neither men nor women can combine working and parenting under those rules. We need new ways of working."

Working patterns can be rearranged and restructured in almost endless variation. The simplest arrangement is "staggered hours" in which workers choose from different, but fixed, daily schedules.

"Fully flexible hours" means that employees choose their own start and finish times and the number of hours worked in any day. In British Columbia, about 1,500 provincial government employees are on fully flexible hours — about 140 hours in four weeks in whatever pattern suits them. Some firms allow workers to "bank" hours, and then use their "credits" to take a half or whole day off. The Alberta provincial government employees who are on flexible hours can bank up to 10 hours, which they must use in a month's time. (While many workers welcome banking, trade unionists point out it is a contradiction to years of union struggle for strict overtime regulations.)

Fully flexible systems, however, are rare. Some companies, for instance, ask workers to pick a pattern and stay with it for a designated period. A good example of a modified arrangement is the system introduced in 1974 by Metropolitan Life in its Ottawa head office. Metropolitan staff can vary their schedules daily but must work a 7½ hour day, and

must be on the job during "core" hours — from 10 a.m. to 3:15 p.m. Instead of fixed start and finish times, there is a "flexible band" of several hours during which workers can begin or end their day. The band widths are 7:30 to 10:00 a.m. and 3:15 to 6:00 p.m.

Workers on flexible hours tend to come in early and leave early. Many work out a pattern and stick with it. Usually, it is regulated by train times or car pools, family responsibilities, and personal idiosyncracies. The young, especially, prefer to work hard and then play hard in their new-found blocks of leisure time. If they are over-educated for their jobs, as many are, the freedom to set their own pace should help offset discontent. When workers are allowed to bank time, the majority have a credit rather than a debit.

Once workers get a taste for flexibility it is almost impossible to revert to traditional hours

The three or four-day week has never really caught on in Europe because workers there complain of excessive fatigue. In the U.S., it is estimated that only 12 per cent of those firms that try the compressed week go back to traditional hours. These companies report higher absenteeism, resignations, and moonlighting. Some workers use their time off to take on other jobs and come back to their full-time jobs exhausted.

Labour laws and the hesitancy of the trade union movement hold back growth in the spread of alter-

native work schedules. Some labour representatives consulted were cautious about banking hours and were opposed to the compressed week. Militant unionists look back to the struggle to win the eight-hour day and penalties for employers asking longer hours in the form of high overtime premiums. Now workers are volunteering for 12-hour days. Many labour leaders react instinctively with horror.

Workers are fed up with shrieking alarm clocks, noon-day whistles and five-o'clock traffic

The most controversial alternative work schedule is the "compressed week." About 1,000 planning officers, probation officers, social workers and speech therapists in the B.C. provincial government have been on a modified compressed week, the "4-5" plan, for the past two years. They work five days one week, four days the next, and add the extra required hours onto any of those nine days they choose. Marg Arthur, a staff representative with the B.C. Government Employees Union, reports no problems of overtiring. If the work gets done, the innovation is likely to spread.

What the labour movement really wants is a 32-hour, four-day week, with no loss in take-home pay. Workers opting for the 12-hour, three-day week often retain the same take-home pay, but some union leaders still say such a compromise endangers their pitch for the 32-hour week, as well as increasing opportunities for industrial accidents.

Canadian auto workers might stand to benefit from the example of a three-year contract signed



"They'll have the four-day week, and then the three-day week, until finally there won't be any point left in being a bum."

Shouts of 'Thank God it's Thursday' are heard in the hallways

between the United Auto Workers and Ford in the U.S. last October. It gives UAW members a total of 45 annual paid days off by 1979 and inspired the union's then president, Leonard Woodcock, to proclaim: "We are on the road to a four-day week. The principle is there now."

Trade unionists who are carefully monitoring experiments in alternative scheduling express a number of other reservations.

Studies of flexible hours reveal workers on flextime may be too easy-going about putting in necessary overtime for their bosses, at no extra cost. In firms with irregular workloads, employees tend to volunteer to stay longer when there is work to be done, and to take time off when the workload slackens.

No doubt, management encourages, and sometimes even nominates, the volunteers. Len Fallows of the Alberta Union of Provincial Employees reports between 2,000 and 3,000 workers on flexible hours in his union, and "We do get complaints on overtime." On occasion, supervisors have asked workers to take their flexible hours at a certain time to avoid overtime.

His answer: "If you want flextime, that's the bitter pill....Fortunately for us, we haven't had a grievance on this. If we do, we may have to make some definite decision." Union contracts and labour laws will have to find ways to protect workers from this kind of abuse.

A psychological handicap of alternative schedules is the fact that

they are usually management-initiated schemes to boost performance. If alternative schedules increase production, then trade unionists might well argue that workers should share in the financial rewards.

North American labour laws are not keeping pace with demands for innovative work patterns. Many American companies cannot afford to give workers longer days and longer weekends because federal law requires any firm with more than \$10,000 in government business to pay overtime to employees who put in more than eight hours a day. Another U.S. federal statute demands overtime pay after 40 hours, which allows flexibility only in the way one week's work can be scheduled. The problem is that these overtime stipulations now protect millions of employees and are especially important for workers whose schedules are not already regulated by union contract.

Plants can hum along for seven days while individuals put in three days at work and four days on the ski slopes

Hours of work in Canada are regulated at the federal level by the Canada Labour Code, which directly affects only about 8 per cent of the workforce. This spring, Labour Minister John Munro introduced a bill that would amend the Canada Labour Code so that workers under federal jurisdiction could sit down with their employers and set up modified work weeks. The proposals cover only those workers in federal jurisdiction — in railways, airlines, banks, broadcasting, grain-handling, inter-provincial highway transport and certain crown corporations. Ontario, B.C. and

Alberta have laws setting daily and weekly limits on overtime. In Manitoba and Saskatchewan, any number of hours can be worked at time-and-a-half. In these five provinces permission is required to extend daily hours to implement an alternative work schedule without paying overtime. Permission is reportedly not difficult to obtain.

Fallows says the details on flexible hours are deliberately not written into collective agreements because too many variables have to be worked out by the individuals involved. Instead, flexible hour provisions are attached to an agreement as regulations.

In spite of the challenges, workers, at least, are enthusiastic about gaining scheduling options. Studies on flexible hours, however, are not in agreement about their effect on productivity. In a 1975 study of 21 Ontario firms on flexible hours, 15 companies reported that, while productivity in their service, financial and utility organizations was not easy to measure, they felt productivity *had* increased. Morale was definitely higher. A study of an American computer firm, though, concluded there was no relationship between flexible hours and productivity, turnover and absenteeism. Nevertheless, it is likely that alternative work schedules do reduce one-day absenteeism because there is no longer a reason to be dishonest about time-off needed for personal reasons.

Sometimes flexible hours lead to job enrichment. Support staff in small welfare offices learn to deal with a variety of problems. Insurance clerks handling telephone inquiries cover for their colleagues. This may necessitate retraining programs to make staff more versatile and interchangeable.

Labour wants a 32-hour, four-day week, with no loss in take-home pay

Flexible hours are easiest to implement among workers who have little need to come into contact with other employees. Professionals, administrators, technicians and support staff are the most likely people to be offered flexible hours, even though flextime can be made to work for production workers. In assembly lines, and wherever there is a succession of operations carried out by different workers, additional buffer stocks may be needed between each station. In other situations, flexible scheduling may not be possible unless there is a change in the way the work is organized.

On the negative side, workers who must rely on fellow workers to get their assignments done experience increased difficulty in communications and co-ordination under flextime schemes. In fact, flexible hours might even contribute to a sense of isolation among workers.

Small companies often find flexible hours unworkable, especially if they have irate customers demanding immediate service. When certain workers, such as receptionists, mail room clerks, and maintenance workers are excluded from flextime experiments because they are required at fixed times, they express resentment.

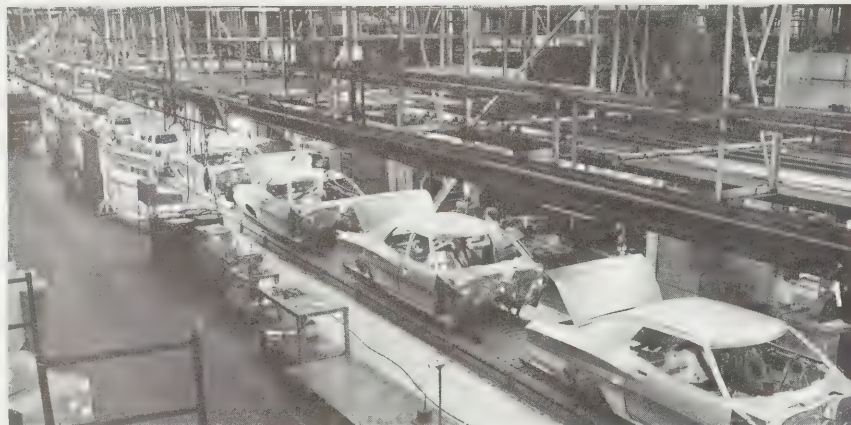
Unfortunately, variable work patterns could mean small losses in traditional benefits for workers; for instance, paid time off for medical appointments. If a worker is unavoidably late, because of a storm, for example, he, instead of

NFB



Flextime can mean more convenient shopping hours

NFB



Flextime is more difficult to implement in some assembly line operations

his employer, will probably pay the penalty in lost time. Because overtime requirements may be reduced by flextime, workers could lose the chance to increase their earnings regularly through overtime.

Variable work patterns could mean small losses in traditional benefits for workers

Overall, though, only one group really suffers when a company switches to flextime — first-line supervisors. They bear the load of planning and co-ordinating new

work schedules. Even with the best kind of timekeeping devices available — those that keep a running total of hours worked by each employee — supervisors cannot rely entirely on a machine to keep track of their people. In addition, supervisors say they have more difficulty locating employees for overtime, holiday replacement, and for covering workers off on sick leave. Because flextime demands more complex, as well as more subtle, administrative abilities, supervisors may have to go back to school to learn new management skills. Depending on the type of company, additional supervisors may have to be hired.

"It's somewhat out of character for me," said John Zalusky, an AFL-CIO spokesman at a Chicago conference on alternative work schedules in March. "But I am concerned for front-line supervisors....They absorb the scheduling problems associated with these systems, which is clearly added work and compounds the problems of workflow. There are also bound to be added pressures from upstairs and from workers as to who gets what schedule.... These exempt employees probably feel as though they have to be on the job when the first worker appears and until the last leaves."

Workers on flexible hours tend to come in early and leave early

It is difficult to say how well flexible hours work when time-keeping is done on an honour system. One employee, extremely conscientious about working the required hours herself, resented others who took advantage of the system and were never reprimanded. Marg Arthur, of the B.C. Government Employees Union, made a special point of saying that employees do abuse the honour system — "particularly the professionals. Even with the '4-5' formalized, there is still no accountability...it annoys me a little because I think they are given too many privileges over the poor clerks who do see abuse going on....Our stewards are responsible for policing the hours....We try to remind everyone once in a while that they have an obligation to put in those hours. That is what they are contracted to do."

Companies and government departments have to keep in mind that once workers get a taste for

Not unexpectedly, the first experiment in alternative work schedules was inspired by pragmatic economic factors. In 1967 a personnel officer at Munich's Messerschmidt research and development centre decided to vary workers' hours to alleviate traffic pile-ups, which were demoralizing staff, cutting into on-the-job time, and affecting production. The idea of *gliding time* or *flextime*, as North Americans now call it, quickly spread to Switzerland. This was a time of virtually full employment. Employers faced with an acute shortage of labour began to offer personal work schedules to attract skilled workers and women with families.

Although West Germany was the birthplace of flextime, today only about 6 per cent of its workforce, mostly white-collar workers, are on some form of the scheme. (Even so, this represents almost 4 million workers in over 20,000 companies and government agencies.) In France, by 1975, approximately 700,000 workers were on flextime. In Britain, the number on flexible hours represents only about 1 per cent of the working population. The clear leader in the introduction of alternative work schedules is Switzerland. About 65 per cent of urban workers and 40 per cent of the entire Swiss workforce are on flextime.

Many of the first American companies to offer alternative work schedules were subsidiaries of European firms. In general, North American companies were slower to begin such

experiments. Estimates of the number of U.S. workers on flexible hours vary — but it is thought to be less than a million of the 95-million member workforce.

In Canada, about 51,000 federal public servants are on modified flextime or staggered work hours. Although it is hoped the option will be offered to more workers in regional offices, presently the great majority are employees in the National Capital Region. Most provincial governments are experimenting with new work schedule options for some of their workers. Sun Life, Bell Canada, and Alcan are among the many large Canadian companies offering their workers some form of flexible hours.

Regarding the *compressed* work week, a U.S. labor department study published last spring found that the percentage of American workers who regularly spend less than five days a week on full-time jobs declined slightly in 1976 — from 2.2 to 2.1 per cent. A 1973 survey by Labour Canada found 233 plants and 30,712 workers on a compressed work week of three or four days. The majority were in Ontario.

The comparatively small numbers of North American workers reflect the fact that industrial democracy is not as widely accepted here as in Europe. We will need a more expansive economy, too, before additional workers will be offered a chance at an expanded day and a personalized work schedule. [G]

flexibility, it is almost impossible to revert to traditional hours. In one form or another, flexibility in the workplace is an idea that is difficult to chase away.

The possibilities for compressing work and expanding leisure time are far too enticing. So — look out world! Here comes the 24½-hour day! [G]

Ma Bell gets the union message

by Barbara Leimsner

Ma Bell has been challenged.

Twelve thousand workers of Bell Canada, one of Canada's largest, most established and conservative corporations, opted for a tough new union last year that promises to take an adversary stance toward the company.

The workers at Bell, a company not-so-affectionately dubbed "Ma Bell" by her 33,000 employees because of a reputation for maternalism, made a clear choice for a union that shuns the soft approach to bargaining. The shift away from a more moderate employees' association has meant fundamental changes in labour relations in a company that has never had an all-out strike involving crafts and service workers, clerical and sales staff and operators.

It was one of the most significant confrontations between two unions in recent years. The Communications Workers of Canada (CWC) won a certification battle against an in-house "company" union, Canadian Telephone Employees' Association (CTEA), which had represented most Bell employees for 30 years.

For decades, employee relations at Bell had proceeded smoothly with two house unions, the CTEA, which still represents 12,000 clerical workers, and the Traffic Employees' Association representing operators. This year, and in 1971, the latter union, now the Communications Union of Canada (CUC), staged a series of wildcat walkouts.

Barbara Leimsner is an Ottawa free-lance writer

On April 28, 1976 the new Communications Workers of Canada won the right to bargain for maintenance workers, repairmen, installers, splicers, linemen and central office craftsmen. They failed in an attempt to represent clerical and sales workers. The CWC campaigned on the need for a more militant stance. The union won bargaining rights at a time of renewed urgency in the debate among politicians, business and labour leaders about the structure of bargaining.

This was not a "raid" in the usual sense. The CWC says it was only responding to a request from the workers themselves to organize into a "legitimate" union. It was a "raid in reverse" early in 1975, when rank and file Bell workers, dissatisfied with the company association, formed committees across Ontario and Quebec and shopped around for new representation.

"They all said we were just a flea on a dog's back," says Gene Farrelly, in from the start on one of Canada's largest and most successful organizing drives in recent years.

It was a remarkable certification victory, even to veteran union organizers. Imagine a 5,300-member union swallowing a new unit almost three times its size. It was remarkable because Bell workers,

with their image of "conservatism" and "anti-unionism", chose a union with a philosophy of confrontation, if needed, over one with a reputation for peace at any cost.

How did a young, small union succeed where several larger, richer international unions failed? Two key factors emerge — timing and the CWC's philosophy. The new union, formed in 1972 after a peaceful breakaway from the Communications Workers of America, appeared on the scene when labour-management attitudes were polarizing at Bell. The "reasonable" and "rational" approach of the company union was seen by workers as increasingly inadequate.

The CTEA's "good faith" approach to labour relations meant no strikes for 30 years by CTEA members. In fact, the association has never seen it necessary to seek conciliation or arbitration. It claims bargaining never reached an impasse that couldn't be settled by "logic". The association still bases its wage demands on the company's own annual wage survey. It limits the items on its bargaining agenda to wages and one or two others, leaving fringes to consultative meetings held with Bell at the CTEA's request.

CTEA executives say their "no-strike" policy is simply realistic, since the automated telephone industry is easily run by management during a strike.

The CWC calls this ineffectual bargaining. The CWC views the

strike as a last resort, and says the CTEA fell behind because it failed to use all the available bargaining pressures.

In 1976 for the first time, Bell's negotiators bargained with the newly-certified CWC under threat of a strike by the 12,000 crafts and service workers.

Jim Nolan, head of Bell's bargaining committee and director of industrial relations for six years, denied the strike threat put much pressure on the company. But he conceded the CWC's on-the-job pressure tactics when negotiations stalled last August were effective and cost the company dollars.

The union held publicity campaigns to embarrass Bell, staged work-to-rules and invoked an over-time ban.

"The leadership of the CTEA failed to recognize what employees wanted," Nolan says when asked why the association was ousted. "...They have no idea of the political factor of a union...I mean, the CWC went out of its way to create the image of battling the company."

CTEA and CWC officials agree Bell's labour relations have been worsening for years. The organizing drive climaxed a buildup of resentment.

Edna Hislop is research director with the CTEA. She's been with Bell and the CTEA for 30 years. She says Bell's diversification into new, competitive fields forced the company to find new ways to raise capital. That led Bell to question both employee and management efficiency, to tighten up, to raise worker productivity.

The CTEA's approach didn't change to meet the tightening up

on the shopfloor, particularly on linemen and installers.

David Handley, president of CWC Local 34 in Ottawa, doesn't think the CTEA's system of representation ever worked, but just appeared to function as long as Bell went along.

The CTEA was already badly shaken by a raid by the International Brotherhood of Electrical Workers from 1964-66. The IBEW, along with the Canadian Labour Congress, pumped large sums of money and 10 organizers into the campaign only to fall short of the membership figure required for a certification vote. The association never repaired the damage done by those raids, Handley says.

CTEA and CWC officials agree Bell's labour relations have been worsening for years. The organizing drive climaxed a buildup of resentment.

Isolated pockets of discontent within the CTEA developed in Ontario and Quebec over the next ten years. In 1972, Quebec City failed on a constitutional technicality to withdraw its entire membership from the association. In Toronto in the early '70s, a movement called N.U.T.E. — New Union for Telephone Employees — organized some downtown areas for a pullout.

Until late 1974, the discontent was disorganized and spasmodic. But then, several related incidents sparked the formation of the "Exodus" committee in Ontario and the "BLOC Action" committee in Quebec. The committees organized a wave of resignations from the CTEA, and in early 1975 small organizing meetings were held to spread the movement out of the association.

The committees opted for an existing union rather than try to reform the CTEA or form a new union. The three contenders for Bell workers were the CWC, the Communications Union of Canada (representing operators) and the IBEW.

By April 15, 1975, both committees had formally endorsed the CWC. It was a Canadian union, affiliated with the CLC and had two essential constitutional provisions — membership ratification of agreements and open election of union officers.

By June 1, the legal starting day for signing up members, the CWC's campaign had gathered enough momentum that the union claimed to have 5,000 signed CTEA resignation cards.

When Bell refused to permit union organizing on company premises on the employees' own time, the CWC filed an unfair labour practices charge with the Canada Labour Relations Board. In a precedent-setting ruling, the Board upheld the CWC's charge that the employer unlawfully interfered with the CWC organizing campaign by prohibiting organizing on company premises during the employees' non-working time. Bell lost two appeals of the decision. It was clear Bell hoped the CTEA would win the battle.

The labour board victory spurred the CWC organizing drive on to its conclusion. One month into the drive, the union had signed over 50 per cent of the craft workers in a dozen locations.

By the first week of September 1975, the CWC had signed a majority of crafts workers in all 38 areas. It won a secret ballot certification vote early in 1976. The CWC received 59 per cent of the vote to the CTEA's 39 per cent.

The company was taken by storm. It hadn't expected the CWC to organize so large and scattered a workforce in four short months.

"It was short, quick and cheap," says Boris Mather, federal chairman of the Canadian Federation of Communications Workers (CFCW), an umbrella organization of which the CWC is the largest affiliate.

Mather, a veteran union "pro", played a key role in the CWC's victory. Although some claim Mather's mission in life for 20 years has been to organize Bell, others disagree vehemently that this was a one-man show. Mather himself plays down his role.

"The truth is we did it ourselves with the CWC's help," says David Handley.

Mather was central in founding the

CFCW in 1973, and in the peaceful withdrawal from the Communications Workers of America to form the CWC. The CFCW contributed \$81,000 toward the Bell organizing drive once Mather and others were convinced it wasn't a gamble. And, in an unprecedented move, the 5,300 CWC members in Saskatchewan and Northern Telecom contributed \$15 each to the campaign.

Why did the CWC succeed where others failed in Bell?


"...Bell employees hadn't been kicked enough," says Mather. "They found out Bell doesn't lie awake nights worrying about the welfare of its employees."

For now, the CWC is consolidating. There's no immediate plan for a new effort to sign Bell's clerical staff still in the CTEA. But Mather is optimistic about the CWC's future growth in Bell.

"...Some day, they'll all be in our union," says Mather with a certainty that may foreshadow changes to come inside Bell.

Jim Nolan's job is to keep his finger on the pulse of Bell's employee-employer relations. He predicts a growing adversary relationship between them in the future.

"When the raid was on," he says, "the employees weren't mad at Bell. They were mad at the CTEA. Now the CWC will do their best over the next number of years to make them mad at Bell."

The CWC counters that workers were radicalized by the company itself, and not the union. The trenches are being dug between the company and the crafts and service workers. As one installer put it, "We've finally taken a stand...now we've got the right to challenge Bell." 

Toronto Star Syndicate



"If you want a man's wages, Miss Philpot, why don't you get married?"

Business agents and staff representatives — labour's jacks of all trades

by Roy LaBerge

Full-time union representatives and business agents practise a wide range of skills and work an average 55 to 60 hours a week. Most worked their way up to their present jobs through holding voluntary or elected positions in local unions. Few feel they have been given adequate preparation for their tasks by either their formal education or their union. All depend on newspapers for information and most are avid readers of *The Labour Gazette*.

All depend on newspapers for information and most are avid readers of The Labour Gazette

These patterns emerge from one of the few studies of union field officers ever conducted by an academic in North America. Roy Adams, an assistant professor of industrial relations at McMaster University, Hamilton, and chairman of the university's industrial relations area interviewed 21 field officers employed by 18 labour organizations. He used no strict format, but encouraged the representatives to talk freely about their work, and he supplemented the information with interviews with a dozen or so other people familiar with their activities.

The sparse literature on union administration in North America usually lists two basic types of field officer: the service representative who is typically appointed and reports to a vice-president or district director, and

the business agent who is typically elected from and reports to a local union or a group of local unions. Adams finds, however, that the division of labour varies from union to union, and there is often a great deal of overlap in the functions assumed by any given officer.

He provides examples of differing functions: "The job of the business agents employed by the Toronto Musicians' Union is simply to visit night clubs, hotels, etc. to ensure that employed musicians are paid-up union members. They also hear grievances which either management or members may have. These agents are appointed by the local president.

"On the other hand, the business agent for the Plumbers' local in Brantford, Ont., is elected and has considerably more responsibility. He not only monitors the contract, but also is in charge of job placement, all of the paper work for the local, benefit administration and preparing for and negotiating contracts.

"A still more responsible position is held by the elected business manager of the Toronto Labourers' local. He is in charge of an operation which is as extensive as that of some of the small international unions. He manages a large staff which provides a wide range of services to the membership.

"An extreme example of overlapping functions is the case of one Canadian vice-president of an

international union. In addition to his vice-presidential duties, he also functioned as a field officer for several local unions, research director for the union in Canada, president of one small local union, member of the education committee of the Ontario Federation of Labour and as an active member of his local riding association."

They are organizers, negotiators, administrators, teachers and counsellors on everything from finances to sexual problems

But the principal task for all full-time field officers, Adams finds, is to assist local unions in their day-to-day tasks, and this involves a wide range of activities: "For most officers this includes preparing for collective bargaining and participating in negotiating sessions, becoming involved in grievance cases, particularly at the higher levels of the grievance procedure, attending local union meetings and doing what can be done to ensure that the meetings run smoothly and accomplish their objectives, and providing advice and at times direction to local lay officers."

They may also be expected to recruit new members, set up new locals, act as instructors in union education programs, sit on grievance arbitration boards, play an active part in the work of local labour councils and provincial

federations of labour and sit as labour representative on various agencies and boards.

If a strike is necessary, it is the field officers' job "to ensure that it is carried out efficiently and effectively." Business agents usually have the responsibility for selecting and supervising the work of shop stewards, though this is also the task of many staff representatives in some of the younger industrial unions like the Canadian Union of Public Employees and the Ontario Public Service Employees Union.

Job placement is a major duty of business agents in several craft unions but not of representatives in most industrial unions. And, Adams notes, "many of the officers considered political work — campaigning for the New Democratic Party primarily — to be an important part of their job, although such work is only rarely made a formal requirement of the post." Another important part of most officers' work is "providing personal advice and guidance to members on everything from financial to sexual problems."

Most list routine office work and travel as their most time-consuming activities. Adams estimates that the average officer accumulates 23,600 miles a year on his car on union business — averaging more than 10 hours a week. Several clock additional hours of air travel.

Most of the field officers complained that they came to their jobs ill-prepared for the wide range of skills and knowledge expected of them by the locals they serve. "They may be expected to understand and interpret labour and welfare legislation; recent economic and social developments; government policy initiatives and the position of their

Most were ill prepared for the wide range of skills and knowledge expected of them by union locals

union relative to these initiatives; grievance arbitration decisions and the way different arbitrators are likely to proceed and decide; new developments in collective bargaining relating to impasse resolution; employee benefits; patterns of work time; developments abroad concerning such issues as industrial democracy, tripartism and income policies; the operation of the political system and the role of political parties in the system; employer techniques of human resource management and employer bargaining strategies."

According to Adams, few unions give any systematic thought to planning for their manpower needs. Many full-time openings come up suddenly and have to be filled in a hurry. In crisis situations, no staff representative can be spared to help a new field officer start his work. He also finds a "disdain" for classroom knowledge and a widespread belief "that one can learn only by doing."

Nevertheless, through union or other education programs, the majority of staff representatives in the industrial unions said they received some training in labour law, collective bargaining techniques, wage and benefit administration, grievance handling and communication techniques. But only a minority had attended courses in public speaking, teaching methods, work study, research techniques, supervisory skills, membership recruitment, personnel administration, or business finance. The officers in the craft and occupational unions were considerably worse off.

Fewer than one-third had received training in any of those subjects during their union career.

Both staff representatives and business agents cope with their new jobs primarily by learning through trial and error and by depending on the availability of more experienced officers for advice. They count particularly on specific individuals who have acquired "substantial expertise" in such areas as minority-group problems, pension plans, alcoholism, party politics, labour education, flextime, workers' participation schemes and industrial health and safety.

Few unions give any systematic thought to planning their manpower needs

They also spend a good deal of time at conferences, conventions and other sundry meetings, and Adams observes that "whatever their stated purpose, a major function of these meetings is education." Officers meet and discuss common problems with well-informed colleagues.

"In short," he notes, "there is a strong tradition of oral education in the labour movement which may easily be overlooked by those of us who are familiar and comfortable with formal and structured educational programs."

He finds a serious communications gap between the academic community and the practising union professional: "When we in Academe publish our theory and research we talk only to ourselves and perhaps to some business and government people. We do not talk to the trade union movement... Unionists generally have a dim view of academic research."

Few of the people he interviewed read academic journals, but most read specialized publications such as *Canadian Labour Views* and *Labour Arbitration Reports*.

There is a strong tradition of oral education which may be overlooked by academics

"The most widely read publication is *The Labour Gazette*," Adams finds, with 87 per cent of the sample among its readers. *Canadian Labour*, official quarterly journal of the Canadian Labour Congress, is read by 57 per cent.

Adams finds that 67 per cent of the people he interviewed say they want to spend their entire careers in the labour movement but only 28 per cent hope for more senior positions in it. He suspects that last response may be due to the fact that personal ambition is suspect for two reasons: First, elected leaders who appoint staff representatives may question their loyalty if they have designs on an elected post. Secondly, the strong service tradition in some unions means full-time officers "are expected to dedicate themselves unselfishly to the betterment of the working man, much like missionaries. Thus, personal ambition may be considered an indication of warped values."

The most popular characteristics of the job is "helping people." Other responses included negotiating, problem solving, doing the job well, responsibility, variety, dealing with management, arbitration and using abilities.

The most disliked aspects are paperwork and long hours. Others

were: attending local union meetings, bureaucracy, incompetence, unappreciative members, lack of leadership imagination, grievance handling, looking after local union financing and interviewing new members.

And, Adams notes: "Not too surprisingly, a Seafarers' representative responded, 'being hounded by police'."

Adams is impressed by the long hours the field officers work, and he comments: "Although trade unions have pushed hard to reduce work time for their members and to win extra compensation for undesirable hours, they expect their own employees to put in long and irregular hours. On average, those we interviewed reported working two or three nights per week and two or three weekends per month. For several of those interviewed the work week varied with the time of year.

In a normal work week, however,

The challenging and humanitarian nature of the job leads many to put in long hours willingly

the average officer reported working 55-60 hours."

Yet he finds that though 24 per cent said they disliked the long and irregular working hours "they were not of undue concern" to the majority: "Our impression was that the variety, freedom and inherently challenging and humanitarian nature of the job led many of the officers to put in long hours willingly."

Hence, he says, a comparison between the job behaviour of union field officers and of the employees they serve "seems to support the job enrichment and job enlargement school of organizational behaviour." [g]

The 21 representatives and business agents Adams interviewed are from 18 organizations including craft and industrial, white-collar and blue-collar, national and international, and private-sector and public-sector unions: International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; Ontario English Catholic Teachers Association; Service Employees International Union; Labourers' International Union of North America; Association of Canadian Television and Radio Artists; Canadian Brotherhood of Railway, Transport and General Workers; International Union of Electrical, Radio and Machine Workers; Ontario Public Service Employees Union; Seafarers' International Union; Bricklayers' Masons and Plasterers' International Union of America; International Longshoremen's Association; American Federation of Musicians of the United States, and Canada; United Steelworkers of America; United Rubber, Cork, Linoleum and Plastic Workers of America; International Union, United Automobile, Aerospace and Agricultural Implement Workers of America; American Newspaper Guild; Canadian Union of Public Employees; United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada. [g]

B.C. workers' compensation: a model for other jurisdictions

by Ralph M. Wirfs

By 1900 most European countries had workmen's compensation laws providing livelihoods for disabled workers, but North American countries took another decade or so. In 1911, Wisconsin became the first U.S. state to implement a workmen's compensation law. Then, in 1914, Ontario enacted Canada's first compensation legislation.

British Columbia began studies of Ontario and U.S. laws in 1915 and on January 1, 1917 the Workmen's Compensation Act of British Columbia took effect. In its first 50 years, the provisions of the Act put nearly half a billion claims dollars into the hands of injured workmen and their families.

The Act also permitted the Workmen's Compensation Board to draft and enforce regulations for the protection of B.C. working men and women. In 1920 — 57 years ago, and just three years after the Act took force — a U.S. Bureau of Labor Statistics official said that "The British Columbia Workmen's Compensation law is the most efficient, most economic, and most comprehensive of any of its kind in the United States and Canada."

That assertion would take some tall proving, today. But the B.C. program does compare favourably with most of its U.S. counterparts, seven years after the 1970 Williams-Steiger Act created the Occupational Safety and Health Administration (OSHA).

OSHA sees to the enforcement of workplace safety and health

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standards in the 50 U.S. states and in six territories and dependencies. Of those 56, 33 jurisdictions have let federal OSHA supply the inspectors, the standards, and the budget; in effect, they have accepted a federal law enforcement agency into their workplaces.

Twenty-three other jurisdictions have undertaken to run, under state government, "state plans." The federal agency provides half the funds; state officials hire the inspectors, conduct the inspections, enforce the laws, and keep the records. Seventeen of these jurisdictions have accepted, whole cloth, federal safety and health standards. Six states — Michigan and the Far West set of Alaska, Hawaii, Washington, Oregon and California — chose to promulgate their codes independently and to apply, as the OSHA law provides, for recognition as "at least as effective" as federal standards.

B.C.'s Workers' Compensation Board — the name was changed from Workmen's by the New Democratic Party government, elected in 1972 and unseated in 1975 — operates six departments:

In its first 50 years the B.C. Act paid out half a billion dollars in claims to workers

insurance, claims, rehabilitation, accident prevention, industrial hygiene, and first aid and safety training. While the latter three affect workplace quality most directly, the presence of insurance and claims divisions under the same roof does much to ensure quality programs in the AP, IH, and first aid areas. Access to all the data on accidents and compensation claims enables safety and health professionals to design and target their efforts much more precisely.

In only three U.S. states — North Dakota, Wyoming, and Nevada — is insurance data available to safety and health agencies. Nearer the U.S. norm, in California the state safety and health agency (Cal-OSHA) has recently undertaken Project Data Base, to develop just such a reservoir of salient fact.

WCB employs 73 full-time accident prevention inspectors and supervisors, who report to Jim Paton, director of the AP Department. In 1976 they conducted 35,717 inspections, which produced more than 41,800 orders to correct unsafe conditions. Unlike their U.S. counterparts, WCB inspectors look for more than the quality of working conditions provided by management: workers, too, come under their scrutiny. "An inspector can issue an observation report on a worker seen willfully violating regulations," Paton points out.

"And he's concerned with the total quality of the workplace. He has a clear idea of the AP problems he's

looking for before he gets to the firm, because he's been given computer-provided records of the firm's last 20 lost-time accidents. Also, he has access to safety committee minutes which every B.C. industry must file with the Board. And while he's doing a top-drawer AP inspection," Paton adds, "he checks the jobsites' first-aid facilities and equipment, and always has one eye open for referrals to the Industrial Hygiene Department."

In response to the 35,717 inspection reports WCB inspectors filed in 1976, nearly all B.C. employers corrected unsafe conditions as the law requires. Only 244 drew penalty assessments for non-compliance. And 90 workers received observation reports for willful violation of AP regulations, in the second year of enforcing this new provision. "As the figures suggest, we receive excellent co-operation from the 70,000 work locations in the province," Paton says, "so there's seldom much need to use the teeth that are in the law."

WCB regulations provide for cash sanctions of up to \$6,000 per month for willful non-compliance and as much as \$13,113 for non-compliance that causes injury to a workman. The board collected over \$62,000 in fines from 84 firms in 1976. And, in a very small handful of cases, Paton says, the board has closed workplaces for failure to comply with AP regulations. "We've used closures only four times in the last year," he points out, "and just once for more than 24 hours. Closure is an extreme option, one we apply judiciously. Most workers and employers in the province share WCB's commitment to a safe workplace."

Of course, safety law enforcement is only one part of the game. WCB reaches out with several educational efforts, to involve the

The B.C. program compares favourably with most of its U.S. counterparts

1,038,000 working men and women of British Columbia in thinking about job safety and health.

One approach to safety education, which raises public consciousness of safety problems while providing WCB enforcement personnel with valuable input, starts with the joint accident prevention committees which the law has required in certain workplaces since 1920. Each committee is required to keep minutes. Each firm files its committee's minutes with WCB. The board computer-stores the minutes, and forwards copies to inspectors and, upon request, to unions. "It gives us direct input to the board," says Erich Ewert, business agent for Local 1-217

(Vancouver) of the International Woodworkers of America. "It's one more way to shape the places we must work in for our livings.

"At one Vancouver lumber mill, the Board's requirement of safety committee minutes spurred labour and management to put new energy into the committee. And, even though the crew of workers changed very little through turn-over, we managed to reduce compensable accidents from 32 per year to just five."

Paton says his men use each post-inspection as a teaching opportunity. They also spent over 8,700 man-hours during 1976 presenting 628 lectures, seminars, and workshops in industrial settings.

"Demand for industrial hygiene services has grown swiftly in recent years," says Al Riegert, director of WCB's industrial



"OH, FOR PETE'S SAKE, GEORGE! EVEN A SAFETY DIRECTOR CAN SLIP IN A BATHTUB!"

hygiene department. "That's probably because of the rise in public consciousness of pollution dangers.

"In the '60s our activities were pretty well limited to problems with silica and asbestos dust in mining and shipbuilding, with occasional forays into emergency advice on chemical spills in the pulp and paper industry,

'We receive excellent co-operation from 70,000 work locations in the province'

chemically-caused dermatitis in fruit packers, and limited noise control work. Back then, we were a handful — never more than three — consultants to AP and claims staff, tucked into the accident prevention department.

"In 1970 industrial hygiene became its own department. Demand for our work in noise control, in monitoring and test programs for hazardous materials like lead, mercury, and arsenic; in plastic shops, especially fiberglass; and in welding fumes has required that we add staff over the last seven years. Right now we've 19 hygienists, eight chemists, five managers, and five clerical staff. We also have, on loan, three industrial physicians."

Riegert points out that one of the most time-consuming and often-sought services of the IH department involves requests for product information. Workers and managers often call, seeking advice about the safest industrial product for a particular application, or about the potential hazards offered by a product already in use. "Too often, the manufacturers and suppliers don't really know what's in their products," Riegert says, "and yet the information can be vitally important."

Hygienists enforce standards which are part of the AP regulations, and are backed by the same set of enforcement sanctions as accident prevention officers. In 1976, they conducted 1,010 surveys and inspections, wrote 1,352 compliance orders, and imposed eight penalty assessments for non-compliance.

The hearing branch of the IH department has established a hearing centre in a Vancouver suburb, to meet needs created by a 1974 law which made hearing loss compensable on a loss-of-function basis. Today, some B.C. firms do pre-employment hearing tests, and the hearing branch trains audiometric technicians for industry — another departure from U.S. practice, where OSHA and its state affiliate agencies carefully avoid competition with either colleges or private consulting agencies.

Dealing with all aspects of hearing loss, the branch employs two medical staff, eight audiologists, and four claims staff. Three of Reigert's hygienists are also stationed at the hearing centre.

"I'm sure we haven't seen anything like the full extent of demand for occupational health services," Reigert says. "Within the next five years, it's likely we'll see staff continue to grow with industry demand. My own goals include an increase in educational services, and staffing that would permit perhaps a 50-50 ratio of self-initiated to referral inspections."

More than half a million B.C. workers live and work in remote locations far from hospitals, ambulances, and doctors. So WCB regulations require that all workplaces have first aid attendant and supplies immediately available. Standards for equipment, personnel, and treatment facilities vary by

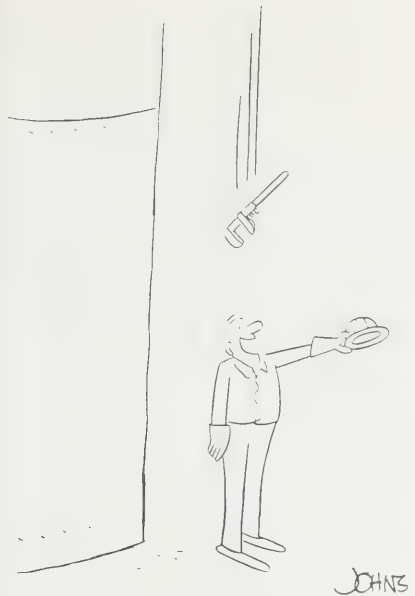
The law has required joint safety committees in some workplaces since 1920

industry and location, but the law does require that no injured worker have to wait for competent emergency medical treatment, whether he breaks a leg in a fall on the Vancouver port docks or is clawed by a grizzly 200 miles out in the brush beyond Telegraph Creek.

Because of the size and distance problems involved, and the danger they proffer the injured worker, WCB first aid regulations seem rather formidable alongside those of most U.S. states. "If you compare our requirements with those of other jurisdictions, as I've done," says the director of WCB's first aid and safety training department, Murray Clarke, "you'll find that if we err it's in the direction of caution. One of the first aid kits we require for 25 or 30 men, in most places, would meet requirements for 200."

How to offer such thorough services over B.C.'s 366,255 square miles? "Of course, we can't do it directly," Clarke says, "so our role is carefully defined. We provide a quality set of regulations and see that they're enforced, set curriculum and texts for first aid training, train the instructors, oversee their teaching, and certify the trainees once they've finished their course. Believe me, that's plenty to keep our 17 first aid officers busy."

In the U.S., OSHA or its state affiliates would set the regulations and enforce them and establish certification. The Red Cross and local colleges would see to curriculum, texts, instructors, and teaching — another reflection of 18th-century *laissez-faire* attitudes that seem to have cut more deeply in the U.S. than in Canada.



"LOOK, BOSS! I REMEMBERED TO WEAR MY HARDHAT!"

Clarke's staff did 404 inspections for compliance with first aid regulations in 1976. But in their normal rounds, the larger AP staff checks first-aid rooms, kits, and personnel as part of their inspections, and notify Clarke's department of deficiencies. First aid inspectors wrote over 800 orders to comply with first aid regulations in 1976, while AP inspectors wrote 2,653.

Over 300 industrial first-aid instructors have been certified by WCB, and they conduct classes all across the province, through community colleges and through St. John Ambulance. First-aid officers drop in periodically on classes during the 50-60-hour course, to check instructional quality. At its end, students must pass the board examination.

"Impartial examination is the key to the program," Clarke says, "and continues as a major tool in maintaining quality, both of graduates and of the program. It's a tough examination — we commonly experience a 25 per cent failure

rate — but usually worth the trouble for attendants because most employers will pay a bit extra for a man with a certificate."

Roughly 7,000 persons have earned a WCB first aid certificate; these come in four grades — C, B, A, and AA — and are valid for periods of from one to four years. This means that attendants must continually work and study to upgrade their skills for the re-examination that's always just over the horizon. Each grade authorizes holders to accept a greater degree of responsibility and authority in emergency situations.

The 7,000 certified attendants make a scanty backup for the million-plus B.C. workforce, so WCB has created an eight-hour basic course leading to a survival first-aid worker's certificate. This innovative program qualifies workers to provide competent treatment for just four types of crucial situation: cessation of breathing, treatment of unconsciousness, crushed chest injuries, and massive external hemorrhage.

More than half a million B.C. workers are in remote sites, far from hospitals and doctors

Has the first aid program done any good? "That's very difficult to assess, in any complete way," Clarke says, "but I do know that more than 100,000 medical-aid-only compensation claims are filed in the province each year, and most of them have had first aid. And while there's no clear data on the number of lives saved by first-aid attendants, at public hearings and elsewhere labour and management unite in their support of the program."

One interesting sidelight: BC's

"You'll find that if we err it's in the direction of caution"

medical profession has taken notice of WCB's first aid program, and has begun to use its training courses. Many physicians and nurses have earned the attendant's certificate to pick up training their medical schools didn't offer and which their clientele sometimes requires. Clarke also points out that second-year medical students at the University of British Columbia now complete the course as part of their curriculum. In the past, people who know they're in medical training have asked for first aid services the students haven't been prepared to offer. Also, the training outfits them to work with first aid attendants in the future, when the students become practicing physicians.

British Columbia's occupational safety and health program contains many advances U.S. and other Canadian agencies would do well to study. These excellences of program substances and style come, in some measure, from the board's 60-year history in accident prevention and occupational health. And in some measure, Canada's early history as a British crown colony and its consequent growth under firm government control explain some of the striking features of the program.

In the same way that the RCMP preceded Canadian pioneers into the wilds of Saskatchewan and Alberta and British Columbia to establish the hold of law over economic and social development, so has B.C.'s WCB been accepted for most of the province's industrial history as the proper authority over the physical well-being of its workers. [9]

Paid educational leave for Canadian workers

In the following article, federal Labour Minister John Munro discusses the importance and flexibility of paid educational leave for Canadian workers.

I believe it is now timely to determine the feasibility of paid educational leave for Canadian workers, both organized and unorganized, without having to give up their jobs or to sacrifice their income or any other job benefits. We should determine whether paid educational leave can be established as a new social right, and not remain as a privilege for the few.

This year I have undertaken to examine the environment for paid educational leave in Canada. I am seeking to find out what support there is for such a program among workers, trade unions, employers, educational institutions and our provincial governments.

If I find there is broad acceptance, I will then consult with my colleagues in government, and with labour and management, to see how we might make paid leave more accessible in the Canadian workplace.

1974 ILO Convention on paid educational leave

I am pleased to recognize the outstanding record of the ILO in recommending vocational training and the granting of time off for participation in educational programs. I refer in particular to the 1974 Convention on paid educational leave, which regarded paid leave as an important means

of meeting the real needs of workers in a rapidly changing technological society.

It called on member states to formulate and apply a policy designed to promote, by methods appropriate to each state, the granting of paid leave for the purpose of training at any level; general, social and civic education; and trade union education.

I can think of no social program which holds greater promise than this one for the benefit of individual workers, for employers, and for the country at large. Paid educational leave could be a valuable instrument for giving workers a second chance. It is aimed at not only enabling the individual worker to find his or her place in occupational life, but also to develop his or her potential as a citizen in the social and political life of the country.

Special needs of workers for continuing education

There is a growing acceptance of the need for education as a life-long benefit, but there are some serious limitations on access to training and educational courses for those who have taken on family responsibilities or who fear losing seniority rights, job security and fringe benefits.

The adult education movement in Canada is well respected for the contribution it is making to continuing education; however, it cannot always meet the needs of workers who lack the qualifica-

tions for the courses which are available; who work shifts; or who are too tired at the end of the day to do another two or three hours' hard work.

We have accepted as normal the education of young minds in an orderly progression from grade school to high school, to university or vocational institute. We have accepted as normal that some of us — notably teachers and professors, and also doctors and lawyers — will go back to school or to seminars on a fairly regular basis to catch up on professional development. But what do we do for the high school drop-out who wasn't ready for advanced education or skill training at age 16 or 18? What do we do for the 50 or 60 per cent of Canadians who do not go to vocational institutes, community colleges or universities? What do we do to assist workers whose skills become obsolete? We have done something for them but it's not enough.

What we have done is provide upgrading courses and skill training — but, for the most part, only when the applicant is unemployed. We don't do very much to help those who are employed, those who stay employed but somehow feel they are locked into their job.

There must be thousands of workers who would like to break out and try something new, including a new and different challenge in their own organization. Why shouldn't ordinary workers be entitled to participate in paid leave?

Frankly, Canada is many years behind some of the other industrial democracies in this social policy area.

France established the principle of continuing vocational education as an integral part of lifelong education. It has imposed a payroll tax of 1 per cent, which may be raised to 2 per cent, for the financing of educational leave. In West Germany, apart from the federal provisions for paid leave for training purposes, five of the provinces have legislation giving workers up to 10 days paid leave a year for general, civic and social education. In Sweden, workers who take educational leave for up to one year are protected in so far as their employment rights are concerned; grants for such leave are given by the Ministry of Education. In Britain, training is conducted by tripartite Industrial Training Boards, whose finances come from the government and employers in the industry. Day-release courses are common

throughout industry. In Italy, achievements in the field of paid educational leave have been attained through collective agreements.

In Canada, paid education leave has not been given the same recognition — by workers, by trade unions, by employers or by governments. In 1973, which is the latest information available, about 13 per cent of managers, and 15 per cent of professional and technical employees participated in employer-sponsored training courses. This compares with 7 per cent of clerical, 9 per cent sales, 6 per cent service and recreation, 6 per cent transport and communication and 6 per cent craft and production employees.

Last year there were only 161 collective agreements containing paid educational leave provisions. These contracts covered 434,175 employees, but it should be remembered that only a relatively few employees actually partici-

pated in the educational leave programs which were available. For example, one collective agreement covered 2,000 employees in a pulp and paper company, but the education clause was restricted to the three or four steam engineers in the bargaining unit. Most of those who participate in employer-paid educational leave in Canada are teachers, university professors and government employees.

Support growing in Canada for paid educational leave

I anticipate growing support for paid leave. The Canadian Labour Congress, for example, endorsed the 1974 ILO Convention last year.

One of the most significant breakthroughs in Canada in recent years was the paid educational leave agreement reached last March by the United Auto Workers and Rockwell International (Canada). This is the first agreement of its kind in Canada. It covers about 1,100 Rockwell employees at plants in Chatham and Milton, Ontario.

The contract calls for Rockwell to contribute one cent for each hour worked by each employee to establish a fund that will be used to educate selected workers in a specially-designed UAW training course. The money will be used to defray the time lost from work travel, lodging and meals, for courses lasting up to 20 days.

Since the UAW-Rockwell agreement was completed, the UAW has negotiated paid educational leave plans with three other Canadian employers.

We will have to establish to what extent paid educational leave might be feasible in the Canadian

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"A doctor here says we should vary our meals more, so let's try eating on Mondays, Wednesdays and Fridays instead."

context. We will need some idea of the extent to which trade unions and employers can, or want, to make their own arrangements on the availability of paid leave. While this approach might be appropriate for the organized sector, it might also be desirable for government to provide some incentives for the unorganized sector. Eligibility for paid leave, and duration of leave, might be determined by length of service, suitability of the candidate, availability of training facilities, and the program which the worker chooses.

An important consideration, of course, would be the financing of paid leave. The costs would include normal pay, health care and insurance contributions while absent, the education or training courses themselves, and for some students, travel expense, room and board.

In the case of general education, courses could possibly be made available to participating workers through the existing universities and community colleges. In Britain there has been a considerable growth of day-release and other general education courses for industrial workers. Local education authorities, universities providing extra-mural education, the workers' educational association, and the trade union movement in Britain are actively engaged in this field.

In the United States, some employers allow their employees to pursue educational and vocational courses on company

time — either during slack production periods or on a regular basis. The Xerox Corporation provides a wide variety of self-training courses which can be fitted into this kind of flexible schedule.

In the case of labour education, the trade union movement itself will continue to determine its own needs and direct its own programs. Through an agreement between the federal government, and the Canadian Labour Congress, the government will provide a grant for supplementing present labour education programs of the CLC for a period of five years. Other labour centres, including the Confederation of National Trade Unions in Quebec, are also eligible to participate in this program.


In the case of vocational training, we will want to look at a number of options. As I mentioned earlier, employers and trade unions have already made a start on building their own funds for paid educational leave. A case could also be made for some degree of government participation, or for tax incentives to offset the cost of paid leave.

Worker education is an investment

I find that I have to restrain my own enthusiasm for paid educational leave for Canadian workers. No doubt there are many

difficulties. But I hope that our examination will disclose a high degree of willingness on the part of workers, trade unions and employers to take up this idea and run with it. As to the cost that paid educational leave would entail, it should be remembered that worker education and training are an investment not only in human development but also in technical advancement and economic growth.

Edgar Faure made an observation which reinforces the contemporary relevance of paid educational leave in his report *Learning To Be*, for the UNESCO International Commission on the Development of Education in 1972. This report said: "Education suffers basically from the gap between its content and the living experience of its pupils, between the systems of values it preaches and the goals set up by society.... Link education to life, associate it with concrete goals, establish a close relationship between society and economy, invent or rediscover an education system that fits its surroundings — surely this is where the solution must be sought."

I believe that paid educational leave is the instrument that does fit its surroundings. It could close the gap. 

John Munro

Minister, Labour Canada

The impact of recurrent education on the labour market

by William R. Dymond

The substantial growth of education and training opportunities for members of the labour force as a second phase of the expansion of educational opportunities for youth will have profound implications for the evolution of working life and the characteristics of labour markets in industrial countries.

Educational and training opportunities have become increasingly available to employed workers, the unemployed and those returning to the labour force. The institutional vehicles for the provision of these opportunities include "on-the-job" industrial training, adult education, public manpower training and recurrent or life-long education. Historically, the progression has been from industrial training to recurrent education and there are therefore considerable overlaps between the population groups served and the educational institutions involved.

In essence, recurrent education involves the transformation of the educational system so that it no longer provides education in one stretch during youth, but provides educational services over the lifetime of the individual and in alternation with other activities, particularly work. Moreover, the concept has two distinct elements: the first involves attempts to make education an on-going process during the work-life of the individual via the "vertical integration" of the various phases of career development; the second involves

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the "horizontal integration" of education both with employment and with the leisure activities of the individual.

Recurrent education is conceived as an element of a more comprehensive framework affecting the life-cycle of the individual — namely that initial education, followed by employment and eventual retirement should cease to be distinct and separate events and should become integrated components of a total strategy. The individual, regardless of age and status should have the opportunity to alternate work, training and leisure activities in a way that will permit him to express himself fully and independently. Recurrent education implies major changes in existing economic and social institutions, but attributes to education an instrumental role in facilitating these changes.

By contrast, public manpower training is a more restricted and manpower-oriented concept,

Recurrent education provides educational services over an individual's lifetime and in alternation with other activities, particularly work

designed to assist the reintegration of the unemployed into employment by providing them with improved occupational qualifications, and to assist the employed to upgrade their occupational qualifications in the face of economic change. However, they are not competing concepts, for manpower training can most usefully be conceived as a complementary component to recurrent education.

The origins of recurrent education lie in both the education system and the world of work. The push provided by dissatisfaction with the present educational system is matched by the pull from the rapid changes taking place in the world of work.

On the educational side, the interest in recurrent education (and manpower training) stems from a growing realization that, in spite of substantial increases in educational opportunities, hopes for greater equality of opportunity have not been realized and inequality between different social groups has persisted. Doubts are increasing as to the wisdom of continuing with educational expansion, and particularly with the extension of the average age of schooling. Other elements of dissatisfaction with the performance of the education system concern the continuing mismatch between the outputs of the education system and the needs of the labour market not only in quantitative terms but also with respect

to their qualifications and motivations. Further concerns have to do with perpetual scholars in universities, and in some countries the problems of "drop-outs" and repeaters.

On the side of the labour market, the pressures relate to the capacity of the education system to meet the needs of rapidly changing technologies and the consequent requirement to upgrade the educational level of the labour force, and to the demands for increasing worker participation in decision-making and new and more human ways of organizing work.

It implies major changes in socio-political and economic institutions

Two broad approaches have been adopted, depending on the country. The first grants to employed workers, through collective agreements or legislation, a *right* to educational leave of absence which is earned through employment. The second approach, largely through public manpower training, has an important *discretionary* element and seeks to provide vocationally oriented training to those members of the labour force who lack adequate employment opportunities, as well as attempting to meet the needs of the economy for manpower adaptation.

The first approach tends to limit educational opportunities to those with a history of steady employment, while the second provides opportunities to the unemployed and those re-entering the labour force, provided they are selected by the authorities and conform to the objectives of particular public training programs.

Recurrent education can have a major impact on worker participation in decision-making

To a significant degree the link between recurrent education (a right gained through employment) and manpower training is based on the distinction between internal and external labour markets — with the former providing training to those in the internal market of enterprises and the latter providing training to those in the external market who require training to enter employment. They are thus complementary modes of education and in theory embrace, when fully developed, the total adult labour force.

Throughout much of Europe, continued access to training and education for the employed is becoming an established claim, through either legislation or comprehensive collective agreements. Educational leave of absence with pay and guaranteed return to their former employment is a necessary precondition for employed adults to participate in education and training, just as in most countries manpower training is usually dependent on government allowances for those undertaking training.

The objectives and orientations of recurrent education will in the longer-run play a considerable role in determining its impact on the labour market. However, the aims pursued in respect of educational leave and adult education in general differ according to the protagonists involved, i.e. the State, the trade unions and the employers' organizations. This emphasizes the importance of developing arrangements for co-ordination in the planning and implementation of programs

between the manpower and education authorities in consultation with unions and employers. The content of training and education can vary all the way from the upgrading of skills in the individual's present occupation to the promotion of broad cultural development. Manpower authorities have a concern to promote the kind of training that enables the worker to be more flexible and adaptable in the face of economic change, employers are interested in skill upgrading and increasing productivity, while unions are interested in better developing workers to participate in industrial and political decision-making.

It is argued that if wider educational opportunities are genuinely to provide comprehensive access for all members of the labour force to education over their lifetime, large-scale resources involving capital facilities, teachers, and in some cases foregone production, will be involved. Can even high-income economies afford to use these resources for recurrent education, in the face of competing social demands, particularly in an inflationary environment? Using orthodox economic analysis it is a good deal easier to make a case against recurrent education than for it, by raising questions of foregone production, rates of return to educational expenditures for adults as compared to youth, etc.

Willard Wirtz, in his book, *The Boundless Resource*, has raised the issue in the following way: "Who produces more, so that more time can be spent by more people getting more training and education? What is it then that these people are to do with more training and education that will be 'productive' enough to continue the growth cycle? Who, in short, pays for an education-work policy?" A satisfactory answer to these questions is difficult if we

are simply talking about adding a new dimension to the existing institutional framework for the basic education of youth. Recurrent education, however, has an important component of rearranging educational inputs over the lifetime of the individual in the expectation that the result will be both more economically efficient and humanly satisfying. The principle is one of the redeployment rather than an increase in the use of resources.

It is even seen as a vehicle for helping to close the generation gap

This is not the place to review the arguments of the proponents and critics of human capital theory. The case for the development of recurrent education, in terms of its economic merit, clearly rests in part on such theory, but is not solely dependent on it.

Perhaps the most relevant question to raise is: What are the costs of not implementing policies of wider educational access during the career cycle of the individual — in terms of alleviating manpower shortages, of greater employment security, of the productive use of periods of unemployment, of greater flexibility of the labour force, of improved equality of opportunity and, most important of all, of increased human satisfaction affecting millions of individual lives. Few of these human and economic dimensions are as yet subject to quantification, yet they avoid economic costs and lead to economic and social benefits. Willard Wirtz stresses: "The infinitely larger prospect is that such a policy will lead to *new* growth potentials involving *different* values and individual and national achieve-

ments and that these additional growth possibilities will prove more fully self-sustaining than those based on the degree of exploitation of natural resources we have depended on in the past."

Perhaps the most significant impact on the labour market of recurrent education broadly conceived and implemented would be to achieve a greater equality of economic opportunity and potentially of income. We have suggested earlier that one of the reasons for the development of recurrent education has been the disappointment with the negligible effect of the massive expansion of basic education on equality of economic opportunity, and that a redeployment of educational resources between youth and adults would be a more effective means for achieving this goal.

The recent expansion of basic education has served to increase the gap in educational attainment between youth and adults in the labour force, which in turn has consequences for the distribution of occupational employment opportunities and income between the two generations. Recurrent education is seen as a vehicle for helping to close this generation gap and as a future means of providing a new option for those who have left the education system too early and thus to overcome the fundamental economic handicap that this creates.

However, if education recurs over a lifetime, there is a continuing opportunity for those who are most disadvantaged in the labour market to have additional opportunities to improve their relative position in the occupational and income hierarchy. This continuing commitment to correcting social inequalities contrasts with the once-and-for-all approach to the provision of a fair start in the

The push of dissatisfaction with the present educational system is matched by the pull of rapid changes in the work place

economic race. The potential of recurrent education to provide greater equality of opportunity should help prevent the distribution of post-compulsory educational resources from being determined solely by initial success, which is strongly correlated with social background.

The recurrent pattern of education is more geared to rectifying the disadvantages in the labour market that characterize two major sections of the population — the older generation and women — than is the system of youth education alone. Unequal employment opportunity between the sexes is probably even more pervasive than between the generations. Recurrent education can help make up vocational and general educational deficiencies of women — on their return to the labour force from child-rearing, or even during child-rearing — which currently narrows the range of job opportunities they typically have. Recurrent education is more suited to the career and life cycles of women than is the current pattern of education at the beginning of the career cycle. Recurrent education would help to lengthen the duration of female careers by enabling women to undertake more challenging and meaningful work.

As is so often the case in the field of education and training there is a considerable gap between the concept and the reality. As manpower training and recurrent education have been applied in many countries they have not been an exception to this generalization

and could even be charged with reinforcing the inequalities to which the basic education system contributes. There have been strong tendencies for a "second creaming" to develop. For example, in France, in 1973, less than 10 per cent of unskilled and semiskilled workers benefitted from paid educational leave compared with 30 per cent of skilled and managerial employees; 3 per cent of those employed in enterprises with less than 50 workers, compared with 17 per cent in those with more than 50; 10 per cent of the female workforce compared with 16 per cent of males.

Similarly, manpower training programs, although usually directed to the unemployed, often cater to those with above average educational levels and those in the younger age groups. Thus, if wider educational opportunities for adults are really to make a serious impact on the stubborn economic and social framework that makes for inequality of opportunity, they must be accompanied by intensive measures of positive discrimination in providing educational opportunity to disadvantaged people in the labour market. This means, in turn, serious efforts to deal with the problems of motivation and methods of instruction, to realistically come to grips with the problems that the less competitive face in the labour market and the surrounding social milieu. Willard Wirtz underlines this basic problem when he points out: "...even generally available opportunities will remain unexploited if there is not sufficient motivation on the side of the potential participants, and motivation is very commonly closely linked with occupational relevance.

The role of manpower training as a labour market stabilizer in training the unemployed during a downturn

Toronto Star Syndicate



"The local university's class of '76 says it would be most convenient for everyone if they could hold their class reunion here."

and in providing a platform of skills to facilitate a less inflationary expansion of employment in the upturn has been spelled out in detail as an element of the Organization for Economic Co-operation and Development's active manpower policy doctrine of 1964. The same reasoning can, of course, apply on a larger scale to

Recurrent education involves changing the educational system so that it no longer provides education in one stretch in youth

the employed labour force through recurrent education, taking advantage of lower opportunity costs during periods of economic slack, thus helping to ensure that variations in manpower utilization do not show up in unproductive idleness (unemployment) but in

creative activities that increase productivity and add to human satisfaction and well-being.

Again the implementation of manpower training programs falls far short of this counter-cyclical ideal in many countries because of institutional rigidities that characterize both the education system and the responses of employers. It is difficult to align bureaucratic structures to the variations of the business cycle and, in particular, to scale down educational activities when substantial commitments have been made to teachers and in education budgets. Similarly, there are difficult problems involving the techniques of forecasting occupational requirements for programs oriented to future labour market requirements. Sweden, however, has demonstrated that such counter-cyclical flexibility is possible, although the experience of Canada, which also has manpower training on a very

large scale, indicates that there are difficult problems to overcome in adjusting the scale of training to the business cycle.

A significant aspect of the labour market role of manpower training and recurrent education is its capacity to respond to the need for flexibility and adaptability over the time span of a worker's career. For the individual, employment security, as distinct from job security, in the face of economic and technological change, is heavily dependent on his capacity to adapt to new job requirements. When job requirements in an advancing technological society are characterized by higher average levels of skill and knowledge, there is a long-term requirement that individuals be equipped through education and training with new skills and knowledge. Moreover, a preventive approach to the meeting of such requirements is superior because it leads to less structural unemployment than a passive approach that allows the worker to become unemployed and then trains him for new employment opportunities. If a periodic pattern of recurrent education could be aligned to changing technological needs for those who are employed, it could contribute to a reduction of that part of unemployment that results from a mismatching of worker characteristics and changing employment requirements.

Recurrent education also has significant implications for the debate on industrial democracy. Industrial democracy is a chameleon-like concept, ranging from the mere disclosure to the work force of decisions already taken elsewhere, to the full sharing of power in the overall running of an enterprise. However, if it is to attain the status of a significant development, the participants, as well as having access to relevant informa-

tion, must also possess appropriate skills in handling that information and in relating it to their particular position. Recurrent education, in the context of increased worker participation both through the North American mode of enterprise level collective bargaining and European style worker participation, can in the future be an important instrument

Hopes for greater equality of opportunity have not been realized, in spite of an increase in educational opportunities

for increasing the impact of workers' participation in decision-making in an increasingly sophisticated industrial world. This potential of recurrent education is recognized, for example, by the Italian trade unions, who in their negotiations with employers' organizations for educational leave of absence have stated as one objective: "The improvement of workers' ability to understand and supervise production processes and their end purpose." Tom Schuller and Jarl Bengtsson — in *A Strategy for Equity: Recurrent Education and Industrial Democracy* — have underlined the potentially ideological function of recurrent education in the following terms: "The ideological function of the distinction conventionally drawn between vocational and non-vocational education needs to be pointed out. It not only reflects but reinforces the division which obtains for most working people between their job and the rest of their life, by limiting the 'vocational' element to the content of the job rather than allowing it to refer to the social and economic context in which the job, and the enterprise exist."

Recurrent education can poten-

tially have profound longrun effects on both the quality and direction of industrial relations if it serves to narrow the skill and sophistication gap between those in enterprises whom we traditionally call 'labour' and 'management'. The narrowing of this gap can work in the direction of intensifying debate on the structure of the economy and the social system, and so sharpen the conflict between the traditional antagonists, or it can serve as a harmonious force by increasing the understanding of both sides concerning the constraints which affect social and economic progress. Education, whether for adults or youth is not neutral. Its impact will depend on the ideological orientations of those who teach and develop curricula.

In spite of secularly higher rates of unemployment in recent years in many countries, governments have reaffirmed their commitment to full employment as a main goal of policy. However, the key issue is: what mix of policies will be required to produce full employment equilibrium in the longer-term?

Traditionally the emphasis of policy has been on the achievement of full employment, through job creation for all those able and willing to work, via economic expansion, rather than on the conscious policy manipulation of labour supply. However, if it is desirable for the emphasis of full employment policy to shift to a more balanced approach, which includes not only a continuing emphasis on job creation but also a supplementary emphasis on the adjustment of labour supply, then recurrent education could well become a significant component, of such a policy along with other dimensions of the flexibility of working life.

Full employment policy can integrate new elements that take into account the growing social demand for recurrent education, educational leave of absence, flexible retirement, part-time work, and flexible working hours. Some may view the discussion of such options as a retreat from the growth objective and full employment as traditionally conceived. It can also be seen in a positive sense as a better way of consuming a part of the growth of productive potential and also of adjusting, in part, to cyclical variations in employment. The alternative may be to continue to allow cyclical fluctuations and structural adjustments to result in unemployment with its inequitable social distribution and the continuing acceleration of income support expenditures.

Recurrent education can be considered as both a consumer and investment expenditure, depending on the extent of its vocational or general educational content. Its future may be more in the direction of responding to the social demand for education and as an element of the shift of consumer

demand away from the consumption of real goods. For example, family expenditure patterns have been shifting away from the purchase of consumer goods toward items such as personal

The relevant question is what are the costs of not implementing policies of wider access to education during an individual's career cycle

services, travel, education, and hospital and medical services, as well as into family savings in the form of pensions, life insurance and the like. This shift in the pattern of real income growth can create problems in terms of real economic growth in the context of the "deflationary gap", which again reinforces an analysis suggesting some continuing adjustments on the supply side of the labour market as a response to changing consumption patterns. Canadian economist, R.A. Jenness makes the judgement, which I agree with, that reductions in working time will assume other

forms than the traditional reduction in the length of the working week combined with longer vacations.

These developments can be linked to the concept of an expanding choice of options for the individual worker throughout his lifetime. Recurrent education becomes one component of a structure of options embracing flexible retirement, sabbatical and long-service leave which are financed through social insurance and pension arrangements, and thus break through the rigid pattern of education-work-retirement by providing the individual with drawing rights that he may use, within certain limits, at his discretion throughout his lifetime.

The potential future impact of wider education opportunities for adults in the context of an increasing flexibility of working life can be effectively summed up in the words of Willard Wirtz: "The net of it is that work takes less than half as much of life's working hours as it did a century ago and gives us much more than twice the opportunity for other uses." [9]

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: November, December.

1976: March, April, May, June, July, September, October,

November, December.

1977: January, March, April, May.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

CORRECTION

LG July p. 312, outline third column at bottom of page should read: Close to 45 per cent of women in Canada work and they make up 37 per cent of the labour force.

ILO sets new guidelines

One of the highlights of the June 1977 annual conference of the International Labour Organization was a plea by ILO Director-General Francis Blanchard that the United States continue to support the independent, tripartite United Nations agency. The U.S. has given the statutory two years' notice of termination of membership, which is due to expire November 5, over what it considers the increased "politicization" of the ILO. Blanchard made his appeal in an address to the 1,400 government, employer and worker delegates the day after they had failed, by lack of quorum, to adopt a report by the Organization's committee on the application of conventions and recommendations. The committee investigates reports by member countries of ILO standards and procedures, and its report would have listed cases where they had not been observed.

The delegates did, however, agree on recommendations and new conventions that will encourage the 135 ILO member countries to carry out policies to put nurses' employment conditions on an equal footing with those of other workers, and that will also promote national measures against occupational hazards caused by pollution, noise and vibration. They also held a first round of discussions on proposed standards on freedom of association and political and civil rights for public servants. Following normal ILO procedure the draft resolution is to come to the next convention for a second

round of discussion before it can be adopted.

The conference approved a \$169 million budget for the next two years, but it is dependent upon the continuing membership of the U.S., which provides one-quarter of the ILO's funds. And Blanchard appealed to all member countries "to continue to uphold the traditions, the principles and the procedures of the ILO, and to work together tirelessly to strengthen its universality and to help it maintain and increase its possibilities for the future."

In presenting the budget proposals, Blanchard said he had not been able "to leave out the possibility of a U.S. withdrawal." If this happened, he said, the ILO would take "rapid and urgent" action to reduce expenditures, with the particular cost-cutting areas to be determined at the governing body's session in November.

When the U.S. gave notice of termination, its delegates said it was because it considered the agency had become excessively involved in political issues and that it applied double standards in its concerns for human rights. Withdrawal appeared even more likely after this year's conference turned back a proposed procedural change that would rule out consideration of resolutions that the U.S. considered politically motivated and unrelated to the ILO's basic mission of safeguarding workers' rights. The U.S.

proposal would also have prohibited condemnation of member states without full advance hearing and validation of the charges by an impartial commission of inquiry.

The delegates discussed ways of making technical co-operation more effective in helping the world's poorest countries, after they heard a report that one billion people are still living on per capita incomes of about \$3 a week. Blanchard described technical co-operation as no longer a one-way street from the rich countries to the poor. He said technical dialogue is needed among all parts of the world in pursuit of common development policies. For the ILO, he said, this means its staff people around the world must intensify their collaboration with regional and national bodies concerned with economic and social affairs. Their emphasis would be on battling mass poverty, improving working conditions and strengthening co-operation among governments, employers and workers. A separate resolution called on the ILO to reinforce this three-way co-operation in member countries, both in carrying out technical co-operation and in supervising the observance of ILO conventions and recommendations.

The draft convention on public employees would extend not only their rights to bargain collectively but would also grant them "essential" civil and political rights and protect them against acts of anti-union discrimination. But the


convention would leave to "national laws and regulations" decisions on the extent to which those rights would be granted to members of the armed forces, the police and employees whose status and function are normally considered as policy-making or managerial or whose duties are of a highly confidential nature.

The draft convention would leave open several options for the settlement of disputes, through this provision: "The settlement of disputes arising in connection with the determination of terms and conditions of employment shall be sought, as may be appropriate to national conditions, through negotiations between the parties or through independent and impartial machinery, such as mediation, conciliation and volun-

tary arbitration, established in such a manner as to ensure the confidence of the parties involved."

Carmelo Noriel, director of the Philippines bureau of labour relations and chairman of the conference committee on the public service, said preparing the draft convention was a difficult task considering "the basic differences in the systems, practices and conditions obtaining in the different countries and the traditional neglect of public employees as distinct from private employees." The committee sought an instrument "flexible enough to accommodate the divergence in the realities obtaining in the different countries but clear enough to state and carry out its objectives and principles."

As reported in the August issue of *The Labour Gazette*, Joe Morris, president of the Canadian Labour Congress, was elected chairman of the ILO's governing body, the first chairman in the organization's 58-year history to be chosen from outside the ranks of government representatives. Speakers supporting his election said it underlined the ILO's attachment to tripartite collaboration.

Roberto Ago, professor of international law at the University of Rome and the Italian government representative, was chosen government vice-chairman and Gullmar Bergenström, chairman of the international council of the Danish, Finnish, Norwegian and Swedish Employers' Confederation, was re-elected employer vice-chairman. 



63rd session of the International Labour Conference

comment

The Great Pension Debate — another view

In the article, "The Great Pension Debate" in your June issue, Ed Finn makes an honest attempt to state the case fairly for and against the "indexing" of all Canadian pension plans to offset the effects of inflation. But neither he nor any of the authorities or specialists he quotes, as far as I can see, even touch on what seems to me the main obstacle to indexing.

The debate centres round the moral justification for indexing; and, still more, on the question of whether the country can or cannot afford it. The argument for the justice of indexing seems unanswerable. In spite of contrary opinions, there may be a strong case for the view that the country can afford it, in the sense that "the money is there." But the real rub that is not so much as mentioned is: Granted that the money is there, how is it to be raised?

It seems to a layman like me that the cost of indexing all private pension plans would be very large. What is perhaps even more serious is that, since the future course of inflation cannot be predicted with any certainty, it would be impossible to estimate the cost. For these reasons indexing would seem to be beyond the means of private employers, and it would be unreasonable to expect them to do it. Consequently most people would probably agree that if it is to be done at all it would have to be done by the federal government.

The vital question therefore is:

How would the government raise the money? To some this would probably seem to present no difficulty. But is the matter really so simple?

From time immemorial governments have had more or less difficulty in raising the money they needed, or thought they needed, by taxation; and they have exhausted their ingenuity in devising means for doing so.

The simple reason for this is that people do not like having their money taken away from them, and they resist or evade attempts to do so as much as they can. Furthermore, especially under a representative system of government in which those who govern are dependent on the votes of those who are governed, taxation has its limits.

In Canada, the federal government is now running a large deficit which seems to indicate that the practical limit of taxation has already been reached. How then is it proposed to make a further serious increase in taxation?

In the present political climate it is unlikely that any government would dare openly to make much increase in taxation, direct or indirect. If the government were forced by political pressure to raise the large amount of extra revenue that would be needed to pay the cost of indexing, it would be pretty sure to do it by resorting to more inflation, that is more expansion of the money supply. But inflation is itself a form of taxation; and it is of all forms one of the most vicious.

There is already so much feeling against inflation that few would dare openly to advocate more of it. But that does not prevent many from urging measures that lead to it.

If in spite of all that can be said against inflation the government of the day used that method in raising the money to pay the cost of indexing, or even most of the cost, it would mean that this plan for making inflation painless for people on pension would itself add to inflationary pressure. Furthermore, by shielding a large group of people from the effect of inflation it would substantially reduce resistance to it.

Even if a government had the courage to raise part of the money required for indexing of pensions by openly increasing taxation, it might lead to demands for larger wage increases; and this would increase inflationary pressure.

The result would therefore be that indexing of pensions would indirectly cause this country to take a big step along the slippery path to runaway inflation.

— Cyril M. Winter
Ottawa

An answer to pension problems

I enjoyed Ed Finn's article, "The Great Pension Debate" (*The Labour Gazette*, June, 1977). While a pension actuary in the United States for some fifteen years, I often engaged in similar discussions.

The idea of the use of a standard unit of purchasing power in contracts for deferred payments has been around for a long time. Seidenberg's paper for the United States Senate Special Committee

on Aging (87th Congress, 1st Session), "The Constant Purchasing Power Bond for Retirement Purposes," credits Alfred Marshall with the idea in 1886.

I have long believed there exists a limited market for a constant purchasing power bond yielding 2 per cent of its appreciating dollar value, and a wide market for one yielding 3 per cent of its appreciating dollar value.

If the suggested market does in fact exist, then an answer to pension problems might lie in the following:

- (a) issue by government of constant purchasing power bonds at a yield significantly less than a marketable yield — say a yield of 1½ per cent of appreciating dollar values, and
- (b) legislation to require full purchasing power indexing of anything represented as a pension for an employee with
- (c) legislation to require financial responsibility of pension fund trustees, possibly specifying certain pension "funding" criteria.

I see two advantages in this suggested scheme — first, a company's pension costs can become actuarially predictable if the entire pension fund is invested in the special bonds and second, the existence of such a national debt would provide a powerful incentive toward greater price stability. At the same time, the amount of pension remains fully negotiable rather than being imposed by government, and trustees remain free to select their preferred investment portfolios.

— F. Leighton Exel
Vancouver

Books

Pink-Collar Workers: Inside the World of Women's Work

by Louise Kapp Howe, Longman Canada Limited, Don Mills, Ontario. 1977. 301 pp.

"If you are a woman...working in an occupation traditionally filled by non-college women, a pink-collar occupation, the odds are overwhelming that what you do is vastly undervalued, both by the outer society, and more to the usual point, by those who set your rate of pay."

Since the great majority of women fall into this group, says the author, it follows that the great majority are still undervalued — in spite of all the propaganda about equal opportunities and affirmative action, in spite of all the glossy magazine articles about "the new woman."

In *Pink-Collar Workers*, Louise Kapp Howe sets out to show us that the most fundamental issues concerning the female labour force have barely been recognized, let alone dealt with. There is the fundamental issue of women's economic position, which has been steadily declining in comparison to men's, even though there are more women in the work force than ever. There are many other issues, such as fringe benefits, opportunities for advancement, working conditions, reduced opportunities for older women, the dubious treatment many women receive from their superiors, et cetera. The catalogue seems endless.

Howe vividly illustrates these issues in a series of portraits of

women in five typically female occupations: beautician, sales clerk, waitress, office worker and homemaker. She talks about what they do, how they feel about it, how they would change things if they could.

The pictures aren't very pretty. The workload of many of these women is backbreaking, both at work and at home. The few men in their female job ghettos still get the best jobs. The women get little credit for their efforts, and even less respect. How can you take it? the author asks. You get used to it, is the frequent answer.

Louise Kapp Howe doesn't think women should have to get used to it. That's why she has written this book: to show us that things haven't changed much, and that they are far worse for the majority of women than many of us realize.

I'm sure many people will heave a sigh of relief when they hear Howe admit, in her conclusion, that she has learned there is little room for feminist rhetoric:

"I think of the department store. Try to imagine walking over to my co-worker Peggy standing near the \$16.66 raincoats: 'Peggy, it is time to give all women a chance at self-fulfillment and a choice of ways to define it.' 'Sure, honey, get us some chairs.' I see Ingrid climbing up the stairs in Tony's restaurant, five plates on one arm, three on the other: 'Ingrid, it is time to give all women a chance...' 'Great. Tell the bastard to build us a real locker room'."

In her lengthy conclusion, Howe explores the social conditions that

account for women's unfavorable position, and proposes some tentative solutions. Her study of the world of women's work is well-researched and supported by extensive statistics.

The strength of the book, however, is in the chapters where the women themselves speak. Here are the real, human experiences which breathe life into the facts and figures quoted elsewhere. After reading these chapters, many people will think twice before they snap at a waitress or sales clerk again.

Howe's writing strengths are also best demonstrated in the case-study chapters. These are clear and to the point, in contrast to the opening and closing chapters which are rambling and often confusing. The author is sometimes inclined to be coy ("We've still got What, Where, When and Why waiting in the wings..."), a particularly unfortunate trait in a woman writing a serious book about women.

In sum, however, *Pink-Collar Workers* is an important contribution to the field of women's

studies, because it draws attention to the lot of ordinary working women — including women who work in the home. It doesn't offer simplistic solutions, and it doesn't suggest that the solution is the same for every woman.

Since November 15, we've known the answer to "What does Québec want?" This book should bring many of us closer to understanding what it is that women want.

— Mary O'Rourke

Mary O'Rourke is an information officer with the Department of Consumer and Corporate Affairs in Ottawa.

Occupational Safety and Health Data Sheets

The Canada Safety Council is publishing 27 data sheets providing concise information on hazardous products. Titles available so far are acetone, asbestos, carbon monoxide, chain saws, explosive actuated fastening tools, lead, welding.

ponding figure was 190 days. In the public sector, the difference was not quite as marked — 142 days for sole arbitrators compared with 156 days for boards. A statistical analysis of awards made in the period September 1976 to January 1977 showed that 44 per cent of the awards related to discharge, suspension, and other disciplinary measures.

Industrial relations — general

The Current Industrial Relations Scene in Canada, 1977, by W.D. Wood and P. Kumar. Industrial Relations Centre, Queen's University.

This annual publication is designed to serve as a reference guide to information and developments in industrial relations in Canada. The volume is organized into seven sections: the economy; manpower and labour markets; labour legislation and public policy; trade unionism; collective bargaining; wages, productivity and labour costs; and a reference section. Each section contains a summary outline of major developments and trends in the past year and the outlook for 1977, followed by technical notes on data sources and methods and reference material in tabular and graphic form.

Trade unions

"Turnover among Presidents of Canadian National Unions," by Gary N. Chaison and Joseph B. Rose. *Industrial Relations*, May 1977.

Turnover among the presidents of Canadian national unions in the postwar period has been remarkably similar to that among U.S. unions. The average annual turnover rate in the United States from 1955 to 1971 was 21 per cent; the corresponding figure for Canada was 22 per cent. Seventy-five per

Research Notes

Arbitration

Statistiques concernant l'arbitrage au Québec, by Pierre P. Lachapelle and Claude Samson. Travail Québec, May 1977.

A statistical analysis of some 1,500 Quebec arbitration awards made in the 12 months ending August 1976 reveals that over 80 per cent of the private sector awards were made by a sole arbitrator, compared with just over 40 per cent of the private

sector awards. This difference stems from the fact that many public sector agreements require that grievances be brought before a tripartite board.

In both sectors, sole arbitrators made their decisions more quickly than did arbitration boards. In the private sector, the average length of time from the date of appointment of a sole arbitrator to the date of his decision was 120 days. For arbitration boards, the corres-

cent of the unions in the United States changed president at least once in the period from 1961 to 1970. In the ten-year period beginning in 1963, 78 per cent of the Canadian unions changed president at least once. In both countries, election defeat seldom appeared to be the reason for turnover, a large proportion resulting from retirement or resignation.

"Presidential Tenure in Canadian National Unions," by Joseph B. Rose and Gary N. Chaison. *Labor Law Journal*, June 1977.

This study examines the relationship between union age and presidential turnover among Canadian national unions. The data were collected from *Labour Organizations in Canada*, an annual directory published by the Canada Department of Labour.

The analysis shows that union age and tenure are positively related in two ways. In the first instance, the presidents of older unions serve, on average, longer terms in office than their counterparts in younger and middle-aged unions. Secondly, the number of years elapsed since presidential turnover last occurred was substantially greater among older unions. Tenure of presidents holding office in 1972 was two or three times longer for unions over 20 years of age than for all other unions. The findings lend support to the view that presidential turnover is related to the stages of union leadership development. In general, the formative years for unions appear to be marked by relatively unstable leadership patterns. As unions mature, there is a noticeable decline in turnover rates and a commensurate increase in the tenure of union presidents.

Wage differentials

L'analyse des disparités de revenus suivant l'origine ethnique

et la langue sur le marché montréalais en 1961, by Jac-André Boulet and André Raynald. Economic Council of Canada, Discussion Paper No. 83.

A 1961 survey of 100,000 male workers from various ethnic groups in Montreal revealed that earnings potential in this city is to some extent determined by a person's ethnic background and mother tongue. The survey showed that workers of French origin earned less than the average for all workers in the same group. Employees of English-Scottish and Jewish extraction were the highest paid of all ethnic groups, with earnings approximately 38 per cent above those of their French counterparts.

An analysis of 1971 data indicates that there has been some convergence between the earnings of French and English-speaking workers. However, a major obstacle hampering a more rapid reduction of these earnings differences is the existence of two distinct information networks in Montreal — one English, the other French. Higher paying jobs tend to be offered by English employers to English rather than French workers because it is less costly for them to contact these people and to assess their qualifications and abilities.

●
"Pay Differentials and the Dispersion of Earnings," *Department of Employment Gazette* (London) June 1977.

In Britain, there has been a general tendency since 1968 for earnings differentials between various groups to be reduced in percentage terms. The compression has been over a broad front — within and between occupational groups; between men and women; between juveniles and adults within industries. In explaining

these trends, the importance of longer term factors has to be stressed. These include increased education, skill upgrading, technological shifts in production, changes in collective bargaining, and growth of non-manual employment. Short-term factors, such as the influence of incomes policy, seem to be less significant, though those with the highest earnings have suffered compressions and equal pay has contributed to the reduction in the male-female differential.

White-collar workers

"The Growth and Unionization of White-Collar Workers in Australia: some recent trends," by Russell Lansbury. *The Journal of Industrial Relations*, March 1977.

White-collar workers have become an increasingly important element in the labour force during the past few years. The rapid expansion of the white-collar sector has been accompanied by a trend toward greater unionization. A study of membership growth among eight major white-collar unions in Australia from 1970 to 1974 reveals that women were a major contributor to this development. There have also been significant changes in the activities of white-collar unions including the use of direct industrial action and concern for issues beyond wages and working conditions. Nevertheless, there are considerable variations between different white-collar unions in this regard. This is partly due to the heterogeneity of the white-collar sector, which varies from highly paid professionals to lower paid clerical workers. The former have been the most militant and successful in pursuing their collective aims.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Collective agreements

Ontario. Ministry of Labour. Research Branch. Paid absence provisions in Ontario collective bargaining agreements, June 1976: company pay for union business; jury duty and bereavement leave; rest period and wash-up time. Toronto, 1977. 9p. (Its Bargaining Information series no. 21)

Employees' representation in management

Dynamique de l'auto-réforme de l'entreprise. Coordonnateurs, François Dalle et Nicolas Thiéry. Paris, Masson, 1976. 156p.

Income

Gillespie, W. Irwin. *The impact of federal regional economic expansion policies on the distribution of income in Canada*, by W. Irwin Gillespie and Richard Kerr. Ottawa, Economic Council of Canada, 1977. 227p. (Economic Council of Canada. Discussion paper no. 85)

A study of the composition and impact of DREE expenditures on the distribution of income across regions and among income classes in Canada. The authors

suggest that in all regions the poor would be better off with increases in federal transfer payments to persons (perhaps in the form of a guaranteed annual income) rather than the present DREE program.

Industrial relations

Joint Labour-Management Study Conference, Dalhousie University, Halifax, 12th, 1976. The twelfth Nova Scotia Labour-Management Study Conference; proceedings, February 5-6, 1976, held under auspices of the Nova Scotia Joint Labour-Management Study Committee. Halifax, Institute of Public Affairs, Dalhousie University, 1976. 64p.

Job enrichment

Boeri, Daniel. *Le nouveau travail manuel; enrichissement des tâches et groupes autonomes.* Préface de Marc R. Ribet. Paris, les Éditions d'Organisation, 1977. 222p.

Klein, Lise. *New forms of work organization.* Cambridge, Cambridge University Press, 1976. 106p.

A discussion, in a European context, of current thought on individual job motivation and its development; the history of conventional job design and the assumptions underlying it; the ways in which people have responded to this; new ideas about work organization; the experiments in new forms of work organization now taking place; and some of the new problems resulting from such

experiments. The book also makes some suggestions about how new forms of work organization may be supported by government.

Labour economics

Marshall, F. Ray. *Labor economics: wages, employment, and trade unionism*, by F. Ray Marshall, Allan M. Carter and Allan G. King, 3d ed., Homewood, Ill., R.D. Irwin, 1976. 633p.

Labour laws and legislation

Ontario. Labour Relations Board. *A guide to the Ontario Labour Relations Act*, Toronto, Ontario Ministry of Labour, 1977. 59p.

Labour policy

Industrial Relations Research Association. *Federal policies and worker status since the thirties*, by Eileen Ahern and others. Edited by Joseph P. Goldberg and others. Madison, Wis., 1976. 269p.

A collection of articles providing a historical analysis of federal social and labour policies in the U.S. as they affect and continue to affect workers. Subjects of discussion include collective bargaining, social security, unemployment insurance, labour standards, manpower policies, industrial health and safety and wage-price policy.

Pensions

Canada. Treasury Board. *Basic*

facts about pensions in the public service of Canada. Ottawa, 1976. 28p.

Status of women

The proper sphere; woman's place in Canadian society, edited by Ramsay Cook and Wendy Mitchinson, Toronto, Oxford University Press, 1976. 334p.

A collection of documents from the late nineteenth and early twentieth centuries produced by the debate about women's place in Canadian society. A useful work for a field of study in which there are at present relatively few identified sources.

Quality of working life

Glaser, Edward Maynard. *Productivity gains through work-life improvements*. New York, Harcourt Brace Jovanovich, 1976. 342p.

A report of a research project to explore what should be the elements of a quality of working

life program, how and why attitudes to work are changing, what needs and motivations of workers affect job satisfaction, and how productivity may be improved through redesign of work systems. Case histories of QWL programs are included, along with guidelines for designing, introducing and conducting such programs.

Working Group on Indicators of the Quality of Employment. Measuring work quality for social reporting, edited by Albert D. Biderman and Thomas F. Drury. New York, Wiley, 1976. 297p.

A collection of papers discussing a variety of value dimensions of the world of work previously neglected in the literature, and attempting to integrate the diverse conceptual orientations presented into coherent systems of indicators to be used in measuring the effects of work on the quality of life. The writers come from a variety of disciplines, including organizational psychology, sociology, economics, urban studies, journalism, and management.

selected dairy, bakery and fats and oils products, as well as increased charges for restaurant meals, also contributed to this advance. Lower prices for many fresh vegetables and for sugar, partially offset these increases. The index for food consumed at home rose 2.4 per cent in the latest month and 11.8 per cent between December 1976 and July 1977, compared with a decline of 0.4 per cent between December 1975 and July 1976.

Higher shelter charges for both owned and rented accommodation accounted for a large proportion of the 0.4 per cent rise in the index for all-items excluding food. Other contributing factors included seasonally higher train fares and hotel/motel accommodation rates and increased electricity and water rates in some cities. Clothing items, especially footwear, declined slightly. Between July 1976 and July 1977, the index for all-items excluding food advanced 8.0 per cent.

In terms of goods and services, the price level of goods, including food, increased 1.0 per cent in the latest month, while that for services rose 0.6 per cent. Between July 1976 and July 1977 the price level of services increased 9.2 per cent and that for goods advanced 7.8 per cent. Seasonally adjusted, the all-items CPI advanced 0.6 per cent between June and July. This included a 1.1 per cent rise in the food index and a 0.4 per cent increase in the index for all-items excluding food.

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, July

The all-items CPI for Canada (1971 = 100) advanced 0.9 per cent to 161.8 per cent in July from 160.3 per cent in June, and was 8.4 per cent higher than in July a year ago. About two thirds of this latest increase was due to a rise of 2.1 per cent in the food index, the largest increase in this index since July 1975. Higher housing charges and the sales tax increase on

tobacco products in Ontario also contributed to the increase, but to a much lesser extent. In contrast with the food index rise of 2.1 per cent, the index for all items excluding food increased 0.4 per cent.

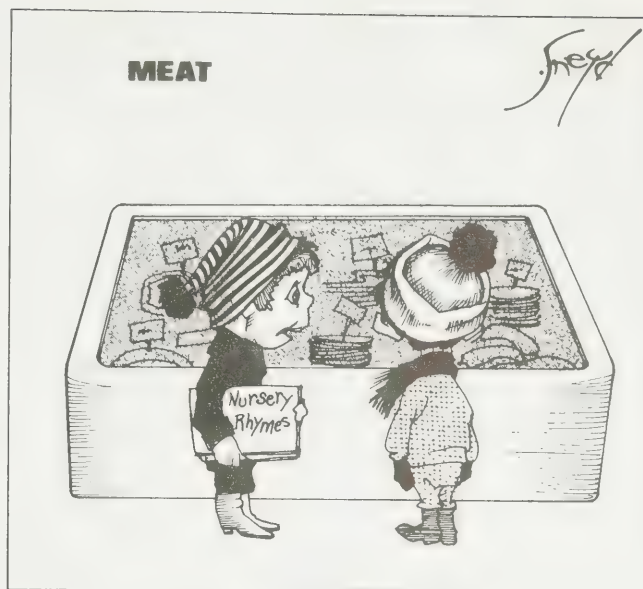
Higher prices for both beef and pork products were responsible for one half of the 2.1 per cent rise in the food index. An advance in prices for fresh fruit, coffee, tea,

City consumer, June

Consumer price indexes rose in all regional cities in June, with increases ranging from 0.4 per cent in Edmonton to 1.1 per cent in Quebec. Higher food prices, notably for pork products, coffee, fresh fruit and restaurant meals, as well as increased shelter charges were major contributors to these

increases. Other important factors included higher prices for dry cleaning services, parking and certain clothing items. Telephone rates were increased in the provinces of Quebec, Ontario and British Columbia. The percentage increases listed in all 14 regional cities in June were: 0.9 in St. John's; 0.7 in Halifax; 0.6 in Saint John; 1.1 in Quebec; 0.6 in Montreal; 0.8 in Ottawa; 0.8 in Toronto; 0.6 in Thunder Bay; 0.8 in Winnipeg; 0.8 in Saskatoon; 0.7 in Regina; 0.4 in Edmonton; 0.5 in Calgary; 0.6 in Vancouver. The percentage increases from June 1976 to June 1977 were: 7.7 in St. John's; 8.1 in Halifax; 7.5 in Saint John; 9.0 in Quebec; 8.0 in Montreal; 8.3 in Ottawa; 7.8 in Toronto; 7.5 in Thunder Bay; 7.7 in Winnipeg; 8.4 in Saskatoon; 9.7 in Regina; 8.8 in Edmonton; 8.5 in Calgary; 6.5 in Vancouver.

Toronto Star Syndicate



"At those prices, I'm not surprised that Mary only had a 'little' lamb."

Employment, July

The seasonally adjusted employment level in July was 9,743,000, an increase of 12,000 from June, Statistics Canada reported. The level for women 25 years of age and over increased by 8,000 and for women aged 15-24 by 11,000. The level decreased by 5,000 for men aged 15-24, but showed little change for men 25 years of age and over.

By province, the seasonally adjusted employment level increased in Ontario by 19,000; in New Brunswick by 5,000; and in Nova Scotia and Manitoba by 4,000. It decreased in Quebec by 11,000; in Alberta by 5,000; and in British Columbia by 4,000. It showed little change in the remaining provinces.

Unemployment, July

The seasonally adjusted unemployment rate for July (859,000)

increased by 0.1 per cent to 8.1 per cent. The rate for women aged 15-24 increased by 0.7 per cent to 14.3 per cent, while it decreased for women 25 years of age and over and by 0.3 per cent to 6.9 per cent. The rate for men aged 15-24 increased by 0.3 per cent to 14.7 per cent and for men aged 25 years and over it remained at 5.1 per cent.

By province, the seasonally adjusted unemployment rate increased by 0.6 per cent to 10.3 per cent in Quebec; by 0.4 per cent to 4.5 per cent in Alberta; by 0.2 per cent to 8.5 per cent in British Columbia; by 0.1 per cent to 12.9 per cent in New Brunswick; and by 0.1 per cent to 9.8 per cent in Prince Edward Island. The rate declined by 1.0 per cent to 10.1 per cent in Nova Scotia; by 0.4 per cent to 6.8 per cent in Ontario; by 0.4 per cent to 15.3 per cent in Newfoundland; by 0.3 per cent to 5.8 per cent in Manitoba; and by 0.3 per cent to 4.5 per cent in Saskatchewan.

Earnings, May

Average weekly earnings in Canadian industry were \$247.63 in May, an increase of 9.87 per cent from \$225.37 a year earlier. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$279.97; Alberta, \$255.94; Ontario, \$247.44; Newfoundland, \$243.79; Quebec, \$243.15; Saskatchewan, \$233.63; Manitoba, \$224.44; New Brunswick, \$219.62; Nova Scotia, \$211.35; Prince Edward Island, \$189.60.

Average weekly earnings in May, by industry division, were: construction, \$364.61; mining, \$341.55; forestry, \$307.38; transportation, communication and other utilities, \$288.72; manufacturing, \$263.27; finance, insurance and real estate, \$226.86; trade, \$190.73; service, \$168.80.

Compared with May 1976, average hourly earnings increased 13.1 per cent in construction, 11.5 per cent

in manufacturing and 9.4 per cent in mining.

Weekly earnings in the United

States in May, by industry division, were: mining, \$296.48; construction, \$293.92; manufacturing, \$224.47; transportation and public

utilities, \$273.36; wholesale and retail trade, \$140.77; finance, insurance and real estate, \$168.09; services, \$155.51.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.70 effective July 1, 1977
Québec	\$3.15 effective July 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
	Students under 18 employed part-time: \$2.50	March 1, 1977
British Columbia	Employees 17 and under: \$2.60	June 1, 1976
Manitoba	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.35	July 1, 1977
Québec	Employees under 18: \$2.95	July 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
TOTAL CIVILIAN LABOUR FORCE*				
Week ended June 18, 1977		(unadjusted figures, in thousands)		
Employed.....	June 1977	10,858	+ 2.0	+ 2.8
Agriculture.....	" "	10,044	+ 2.2	+ 1.9
Non-agriculture.....	" "	503	+ 3.0	+ 3.6
Paid workers.....	" "	9,541	+ 2.2	- 1.9
At work 35 hours or more.....	" "	9,022	- 5.6	+ 1.4
At work less than 35 hours.....	" "	7,554	+ 2.4	+ 1.3
Employed but not at work.....	" "	1,940	- 1.0	+ 5.2
		549	+ 12.9	- 1.0
(change in thousands)				
Unemployed.....	June 1977	814	- 10	+ 112
Newfoundland.....	" "	30	—	+ 7
Nova Scotia.....	" "	33	- 2	+ 3
Prince Edward Island.....	" "	4	- 1	—
New Brunswick.....	" "	33	- 3	+ 4
Quebec.....	" "	274	—	+ 46
Ontario.....	" "	281	+ 4	+ 43
Manitoba.....	" "	23	- 1	+ 5
Saskatchewan.....	" "	15	- 3	—
Alberta.....	" "	29	- 7	+ 4
British Columbia.....	" "	93	- 4	—
Without work, seeking work and available for work.....	" "	738	- 12	+ 104
percentage change				
INDUSTRIAL EMPLOYMENT (1961=100) ^r	March 1977	140.4	+ 0.5	- 0.2
Manufacturing employment (1961=100) ^r	" "	124.3	+ 1.0	- 2.2
IMMIGRATION.....	Calendar year 1976	149,429	—	- 20
Destined to the labour force.....	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	May 1977	154	- 3.8	- 17.3
No. of workers involved.....	" "	32,857	- 16.1	- 86.6
Duration in man days.....	" "	359,740	+ 1.7	- 45.6
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	March 1977	244.50	+ 0.8	+ 10.3
Average hourly earnings (mfg.) ^r	" "	6.21	+ 0.6	+ 11.3
Average weekly hours paid (mfg.) ^r	" "	38.9	—	+ 0.3
Consumer price index (1971=100).....	June 1977	160.3	+ 0.7	+ 7.8
Index numbers of weekly wages in 1961 dollars (1961=100) ^r	March 1977	154.3	+ 0.2	+ 3.3
Total labour income (millions of dollars) †.....	May 1977	9,757.3	+ 2.7	+ 0.1
INDUSTRIAL PRODUCTION ‡				
Total (average 1971=100).....	May 1977	124.8	+ 1.0	+ 2.0
Manufacturing.....	" "	124.2	+ 0.6	+ 1.6
Durables.....	" "	125.7	+ 0.6	+ 0.6
Non-durables.....	" "	122.8	+ 0.9	+ 2.7
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	May 1977	20,562	—	- 10
Completions.....	" "	16,727	—	- 1
Under construction.....	" "	12,634	—	+ 32

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

†Advance data

‡Preliminary

*Centres of 10,000 population or more

^rRevised.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, MAY 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976(1)	921	1,039	1,570,940	11,609,890	0.55
1976(1)					
January	47	165	55,326	818,960	0.48
February	60	171	152,403	563,750	0.34
March	96	179	168,085	448,590	0.24
April	88	181	278,552	709,760	0.41
May	107	186	245,199	660,510	0.39
June	135	260	171,334	1,224,180	0.64
July	84	219	83,388	1,270,240	0.68
August	78	206	116,648	1,186,600	0.62
September	59	185	136,482	1,943,860	1.08
October	78	181	927,888	2,035,720	1.14
November	52	138	54,886	498,700	0.26
December	37	110	45,090	249,020	0.13
1977					
January(2)	47	113	29,132	227,670	0.13
February(2)	45	111	19,272	193,140	0.12
March(2)	69	133	23,441	226,220	0.12
April(2)	76	160	39,133	353,400	0.21
May(3)	60	154	32,857	359,740	0.20
January-May 1977(3)		363		1,360,180	0.15
January-May 1976(1)		516		3,201,570	0.37

(1) Final (2) Revised (3) Preliminary

WORK STOPPAGES BY INDUSTRY, MAY 1977(Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to May)
		Number	Workers involved	
Agriculture	0	0	0	0
Forestry	2	4	786	36,630
Fishing	0	0	0	20,800
Mines	2	5	883	70,980
Manufacturing	30	78	15,913	771,950
Construction	3	6	2,281	73,980
Transp. & Utilities	7	14	7,760	66,490
Trade	2	13	798	52,050
Finance	0	1	6	4,240
Service	7	17	2,212	205,190
Public Admin.	7	16	2,218	57,860
Various industries	0	0	0	0
TOTAL	60	154	32,857	1,360,180

WORK STOPPAGES BY JURISDICTION, MAY 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month		Cumulative duration in man-days (Jan. to May)
		Number	Workers involved	
Nfld.	2	4	517	105,800
P.E.I.	0	0	0	0
N.S.	0	2	13	1,100
N.B.	3	3	733	7,180
Québec	18	73	9,087	693,760
Ontario	26	45	11,240	351,050
Manitoba	0	1	145	17,920
Saskatchewan	1	2	290	12,830
Alberta	4	8	957	27,630
B.C.	1	5	1,442	49,020
Yukon & N.W.T.	0	0	0	0
Total, provinces	55	143	24,424	1,266,290
Federal Public Service(1)	1	2	425	3,580
Federal Industries(2)	4	9	8,008	90,310
Federal total	5	11	8,433	93,890
TOTAL	60	154	32,857	1,360,180

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1974-75 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1975.

Wage Rates, Salaries and Hours of Labour, 1975 (annual). A series of 30 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1975. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1975 (Community).

Working Conditions in Canadian Industry, 1974 (annual). Contains statistical data, effective October 1, on hours of work, paid holidays and vacations, and extent of unionization for office, non-office and other employees. Includes breakdowns by province and industry. Price \$2.50 (\$3.00 outside Canada). Cat. No. L2-15/1974.

Rights in employment

Women's Bureau '73. Papers dealing with the role of social workers and the status of women; organized labour in relation to working women; the rights of man and the status of women; equality in pensions for working women; and Quebec's contribution to the status of women in Canada. (Bilingual). Free.

Women's Bureau '74. Papers dealing with the compensation of women; women and work in Canada: a study of legislation; Canada's need: the ingredient of women's experience; the economic and academic status of women in relation to their male colleagues; equal pay programs in Canada and the United States, the Canadian scene; and time to reform traditional insurance practices to eliminate sex discrimination. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1975 edition). 197 tables of statistics on many aspects of women's participation in the labour force. It includes sections on earnings, professions, manpower placements and trainees, historical data and projections. (Bilingual). Free.

The Law Relating To Working Women. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

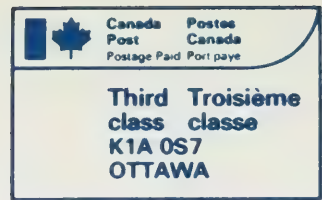
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists some 50,000 selected holdings of Technical Library. Accident Prevention Division, 1976. Free.

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**Travail
Canada**

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HEALTH AND SAFETY

Asbestos fund established

Asbestos workers in Calgary have voted to turn over 25 per cent of a negotiated increase to a fund to help prevent asbestos-related diseases. The 250-member Local 126 of the International Association of Heat and Frost Insulators and Asbestos Workers negotiated an 80-cent-an-hour wage and benefit increase in a one-year contract. However, they agreed to contribute 20 cents an hour to establish a trust fund to compensate disease victims and buy dust sampling and monitoring equipment and train workers to use it on work sites.

Ray Sentes, the local's health and safety research director, said a health-and-safety clause negotiated with contractors in the Calgary area marks the first time employers have accepted a legally binding responsibility for the health and safety of their employees.

Norway leads the way

Legislation that went into effect in Norway in July is intended to ensure both "safe working conditions and a meaningful work environment" for employees in most industries. Work must be

organized in such a way that "employees are given reasonable opportunities to develop their skills and personal aptitudes through work."

The law, believed to be the first in Western Europe expressly linking work safety with humanizing of jobs, places safety considerations unequivocally above economic criteria. It gives workers the right to walk off the job where staying would constitute a health risk. It also includes provisions on pregnancy and child care, including the right to paternity leave and the right to time off for breast feeding.

WORK STOPPAGES

Australia curbs public service strikes

Australia has passed legislation that empowers the federal government to suspend or fire public employees who take part in "disruptive industrial action." The legislation was introduced August 18 and passed in two days by both the House of Representatives and the Senate.

The legislation was aimed particularly at ending two weeks of disruptive postal strikes, and the government said it would promulgate it only if necessary. Postal workers across the country started voting to return to work imme-

diately. The Parliamentary opposition bitterly attacked the legislation, saying it would enable any minister to dismiss any public servant who takes part in an industrial dispute.

INDUSTRIAL DEMOCRACY

Participative management at York

York University in Toronto has adopted a unique model of employee participation for its librarians, based on their particular role in the academic community. The model was borrowed from existing forms of democratic decision-making for faculty, but adapted to retain "certain hierarchical tendencies," according to Vivienne Monty, assistant head of the library's government documents and microtexts branch.

If co-determination is to work, Ms Monty explains, it has to be recognized that "certain decisions must be left up to a small group of managers for the efficiency of the day-to-day running of the library. Inherent here is the idea that someone is needed to co-ordinate but not necessarily to dictate....In other words, a service industry had to be maintained at efficient peak levels while the administrative structure was changed to a participative one."

The faculty model of participation

has been instituted in relation to librarians' working conditions. The librarians themselves make recommendations on such matters as permanent appointments, promotions and sabbaticals, using professional criteria developed and administered by them. Their recommendations go to the chief administrator of the library "who may, in fact, object to the decision, but must show just cause why the decision of his colleagues is not valid, especially when that decision was made in relation to considerable input from those whom the librarians serve and work with," Ms Monty notes.

The other major change in decision-making is that managers now are asked to account to the people they manage. Middle and top managers are appointed for five years with the possibility of renewing their terms but only after a review by those with whom they work. According to Ms Monty: "This method assures the administrators a fixed term wherein they can carry out long-range projects while they know they have a stamp of approval from their co-workers.

"Administrative functions carry with them a stipend for assuming responsibility, but the incumbent's professional status is maintained in every other way, including the standard salary for their rank as a professional in addition to their stipend. This system allows for considerable administrative flexibility as heads need not roll. It allows individuals to resume their professional functions minus administrative duties after their term if they so desire, which means that useful employees do not leave the university simply because they tire of administering or find that they have reached their level of incompetence. Instead they can quietly fade into the background."

The university has also widened its "administrative think tank" by establishing a library council on which all the librarians sit as well as their administrators and the president of the university. The council fulfils several functions, all implying participation: deliberating on matters of library "policy and welfare;" providing professional advice to the director of libraries; receiving reports of library "plans, progress and problems" from the director of libraries and discussing them with him; legislating the council's own "policies, procedures and committee structure."

The council elects a smaller executive committee to co-ordinate the council's work between meetings and ensure that its committees are functioning. The director of libraries is an ex officio member of the executive committee.

On a purely administrative level, the director of libraries has his own committee of supervisors, which deals with "the day-to-day supervisory functions of the library and allows manoeuvrability in purely administrative matters," Ms Monty reports. The council's chairman and vice-chairman are represented on the supervisors' committee.

THE WORKPLACE

Housekeeper secretaries

Serving coffee to their boss remains one of the tasks of 78 per cent of middle and top-level secretaries in the United States, with salaries higher than the national average. A survey conducted by the Dartnell Institute for Business Research in Chicago also found

that 65 per cent carry out "office house-keeping," and 64 per cent handle personal correspondence. Tasks carried on by the secretaries also include travel arrangements, banking, shopping, running errands and typing for the executive's family.

"The best-paid group were found to accept these duties most readily, but only 28 per cent considered them all legitimate," says a report in *Canadian Industrial Relations and Personnel Developments*.

THE ECONOMY

Trade-off theory challenged

A study published by the Economic Council of Canada challenges the notion that wage increases can be held down by allowing the unemployment rate to rise, and says governments have been ill-advised to assume that there exists a simple trade-off between unemployment and inflation.

In their study report, *The Determination of Wage-Change Relationships*, J.C.R. Rowley and D.A. Wilson, contend that studies that support the trade-off concept have been based on the assumption that wage rates are negotiated annually, but unions and management prefer to negotiate long-term agreements. By overlooking the effects of multi-year contracts, and the frequency of large increases early in the agreements, previous research, the authors maintain, has provided an inadequate explanation of changes in wage rates.

The trade-off theory holds that stimulating the economy will accelerate inflation while stable prices

will mean higher unemployment. In recent years, however, both inflation and high unemployment have existed together.

PRODUCTIVITY

Scanlon plan increases co-operation

Interest in the Scanlon Plan for labour-management co-operation is reviving in the United States according to *World of Work Report*, monthly publication of Work in America Institute Inc. The concept, originated in the 1930s by a steelworker named Joe Scanlon, now is a reality in more than 100 workplaces.

A Scanlon plan normally comprises two elements: a labour-management committee system to serve as a means of both upward and downward communication and a bonus system based on labour productivity through which the workers can share in any gains achieved.

World of Work Report describes as typical the program at Dana Corporation's plant in Edgerton, Wisc. The Toledo-based manufacturer of components for the transportation industry now has 14 locations with Scanlon plans, the earliest dating back to 1969.

At Edgerton, more than 1,000 workers participate in the plan which was put into effect in 1973. The plant's base labour costs are calculated as a percentage of sales dollars, based on past history. Then, through a system of

workplace and job improvements, labour costs are reduced, with all savings over the base labour cost subsequently split — 75 per cent to the workers and 25 per cent to the company.

The plant has 20 production committees each made up of a management representative and two representatives of hourly-paid workers. Employees may make verbal or written suggestions to a member of his or her committee, which, in turn, may spend up to \$200 to implement the suggestion. Ideas requiring a larger investment are sent to a screening committee of seven elected employees from production committees and five management representatives, one of them the plant manager. The screening committee reviews calculations of monthly bonuses as well as operational changes that may result in bonus earnings.

The report quotes Lee Hess, plant manager at Edgerton, as saying the plan is a means of "achieving recognition for a worker whose ideas no one had previously asked for. Suddenly he's contributing not just the sweat of his brow but the ideas which lay dormant."

JOB SATISFACTION

One third unhappy

A United States survey has found more workers dissatisfied with their jobs now than at any time in the past quarter century. The survey, which has questioned employees of 159 companies every year since 1952, found 32 per cent

of current clerical employees unhappy with the work they do. Between 1952 and 1959 only 24 per cent had said they were unhappy. The poll also found that 38 per cent of all hourly paid workers surveyed dislike their work, compared with only 31 per cent 25 years ago. However, the Opinion Research Corporation of Princeton, N.J., which has been conducting the polls, reports that 91 per cent of managers are satisfied with their work, a percentage that has stayed relatively constant since the surveys began.

EMPLOYEE COMPENSATION

1976 averages

Total compensation to employees in Canada averaged \$15,219 for each employee in 1976 — \$13,864 in salaries, wages and other direct payments and \$1,354 in employer payments to welfare and benefit plans, according to Statistics Canada's All-Industry Survey of Labour Costs. The figures represent costs to the employer rather than benefits received by the employee. The largest single component of compensation in 1976, other than pay for time worked, was vacation pay which represented an average expenditure of \$772 per employee, or 5.1 per cent of total compensation. Employer contributions to pension plans, including the Canada and Quebec plans, averaged \$717 per employee, or 4.7 per cent of total compensation. [9]

Direct employment programs: the new Canadian policy emphasis

by E.G. West

Faced with the new phenomenon of 'stagflation' or 'slumpflation' Canadian policy-makers have become considerably disenchanted in the last two or three years with the traditional fiscal tools of stabilization. And certainly the old policy of 'trading off' so much less employment for so much more inflation seems now in shambles. Indeed more and more people take the evidence to show that the relationship between unemployment and inflation is not negative but positive.

The cry in some circles has been that we need a new policy tool, and one that is non-traditional but effective. Observing that traditional monetary and fiscal policies fail especially in providing *selective* employment stimulus, the Economic Council of Canada concluded their recent investigation of the unemployment problem with the following recommendation:

"We recommend that the federal and provincial governments take steps immediately to develop a program to create continuing auxiliary jobs linked to the unemployment insurance system and aimed particularly at groups and areas faced with high unemployment. It should work through conditional grants to the provinces, municipalities, social service agencies, and participating business enterprises, and would be available to persons who would normally be eligible for unemployment insurance benefits." (*People and Jobs*, 1976)

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There is nothing especially new about the 'direct assault' approach to the unemployment problem. Indeed it dates back at least to the 17th Century in England. And during the Great Depression of the 1930s in Europe and North America there were numerous public service employment programs. Those that are newly proposed, or are presently beginning to operate, however, seem to differ from the older depression period policies. These new style jobs are supposedly for services needed by the community. There has never been any talk of hiring workers to dig holes and to fill them up again, as is alleged to have taken place under some North American programs in the 1930s. Also, the net government costs of direct employment programs are relatively low because every dollar budgeted goes directly into a job. And it is presumably one that is filled by an unemployed person, thus saving unemployment insurance and welfare dollars.

If we look at the results of some of the experimental programs so far,

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we find that they have not lived up to their full promise. The main postwar employment 'creation' programs in Canada hitherto, have been the Local Initiative Program (LIP), the Opportunities for Youth (OFY) scheme, and jobs connected with the incentive grants available through the Department of Regional Economic Expansion (DREE). In 1971 and 1972, LIP provided jobs for about 85,000 persons. But they were jobs that lasted only three to four months of the winter. OFY, meanwhile, offered summer jobs to nearly 30,000 students, but federal funding for this program has since been discontinued.

Two problems associated with the LIP and the OFY programs have been summarized by the Economic Council as follows:

"In the small towns where seasonal unemployment is usually highest, there is a limit to the number of practical projects; in larger centres the need is mainly for services, but these usually call for continuity and require support from community organizations."

But more important, the new jobs did not reduce the ratio of unemployed to employed calculated as the basis of a size of the initial labour force; what they did was merely encourage the labour force itself to increase. In general, most participants in the LIP scheme received temporary employment only, and this was usually followed

by unemployment and/or labour force withdrawal. Employment under LIP, of course, qualified workers for unemployment insurance for a period after their jobs were terminated. In Quebec 55 per cent of all the participants in the 1972 to 1973 program in that province received between 15 and 45 weeks unemployment insurance benefits in the couple of years following the LIP project. As for the jobs created by the Department of Regional Economic Expansion, the main problem has been that the relevant programs are expensive, having the maximum allowable limit of \$30,000 per job.

The new jobs did not reduce the unemployment ratio based on the initial labour force, but encouraged the labour force to increase

In view of these problems it is now being suggested that, instead of the incidental temporary job program, what is needed is the "continuing auxiliary-job concept." Moreover, the program should not be merely a special measure to offset cyclical unemployment, but should be a *permanent* instrument to provide alternatives to unemployment for many people who would otherwise be dependent on unemployment insurance. The Economic Council's proposal is for a program that would involve "continuing jobs that would be held for limited periods by each participant who would be expected soon to return to a mainstream job." Such programs are intended to be sufficiently attractive so that no one would be *compelled* to use them.

There are many unanswered questions concerning such a proposal however. First, if the job is not to be of the hole-digging-and-filling variety it must provide a service

Will officially sponsored jobs not simply displace similar jobs on the market?

that is useful to society. In the private sector, if a job is useful, its performance will normally command a price. Will *officially sponsored* jobs therefore not simply displace a similar job on the market? The Economic Council speaks of its proposed direct employment program as providing "auxiliary work" in the food-producing sectors, transportation, communication, and distribution systems. These jobs moreover, "would contribute to lower costs and higher productivity." It is not made sufficiently clear why, if the jobs do provide such benefits, business enterprises are not already offering them themselves.

Second, consider the provision that such programs are to be financed by conditional grants to provinces. What is to stop the provinces obtaining federal funds to create public service employment and simply substituting these funds for their own payroll budgets? They might then use the savings to reduce state and local taxes or to purchase additional buildings, computers and the like. Experience from America suggests that this is not just a wild possibility. Under the U.S. Employment and Training Act of 1973, massive expansions in money provided for public jobs have been requested by various regional government representatives. Estimates of the amount of federal money that has been since substituted for state and local money range from 40 per cent to as high as 90 per cent.

It is important to keep in focus the stated purposes of the new Canadian direct employment programs. The idea is to expand employment

without aggravating inflation. If the programs do cause price levels to rise further, then we must at least take this into account in terms of conventionally measured costs of inflation. Meanwhile, those who believe that inflation causes unemployment will go further and condemn the scheme as counter-productive. How likely is the consequence of indirect inflation?

Further inflation will probably follow if the direct labour programs create jobs that simply attract into them workers who are fully employed elsewhere. At the same time, present burdens of inflation are not likely to be reduced if the new jobs do not create services of real economic value. Experience with the so-called public service employment programs in America should be kept in mind. In practice, only 17 per cent of workers eventually hired under the U.S. Emergency Employment Act of 1971 were strictly "disadvantaged." Indeed, those hired had a higher average educational level than the workers in the private section. The public service jobs actually paid \$7,000 - \$8,000 a year. Yet there were 10 - 20 million full-time workers with smaller incomes than these.

It is not surprising, therefore, that the main result of the legislation was merely to reallocate existing fully-employed workers. Nevertheless the public service employment program has been embraced with new enthusiasm by the Carter administration which, in 1977, is planning to finance 1.4 million such jobs in America.

In Canada the Economic Council has observed that, as legal minimum wages continue to rise, it becomes increasingly costly to employ people with limited productive capabilities. The implication is that such people are disadvantaged by minimum wage legis-

lation and that the direct employment program is necessary to remove the disadvantage. Logically, however, the appropriate procedure is to relax the minimum wage legislation. If people do have "limited productive capabilities," such as individuals with physical and other disabilities, their labour will fetch a price on the market that is lower than average. This is the result, not of exploitation, but of true market price of their economic contributions. Certainly there is an argument for helping such people to enjoy higher incomes than their labour alone would generate. But this need not involve altering their wages. Non-wage supplements to their incomes would be provided via the general taxation machinery, under a scheme such as the negative income tax that is now being planned by the Carter administration in America.

It is the same taxation machinery that presumably is to be used in Canada to finance the direct employment program. Should the revenues be allocated in cash or in jobs? Consider persons with a labour productivity worth \$2 an hour and the legal minimum wage is \$3. If a government employs them it will have to pay at least the minimum wage of \$3. Thus, governments will have to subsidize these workers by at least one dollar an hour.

The question, in other words, is whether these direct subsidies or supplements would not be better used if sent directly to the low productivity individuals in the form of cash. Such a procedure would probably involve less administrative costs than would an elaborate

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direct employment program. Moreover, there would be less interruption in work. A minimum wage program that prices people out of a job will place them on the unemployment lists for some period of time pending the development of the public employment scheme. And even then it is not clear whether they will be in the most productive place.

In 1977 the policy-makers are clearly placing increasing hopes on direct employment schemes. And they are feverishly exhorting private employers to create more jobs. Some will argue that such a development is a detour from the main remedy — control of the money supply. But the latter is a long-term policy. Politics is a short-term business, as short as the date of the next election; and politicians like to gamble for quick expedients.

There is special need, therefore, to consider the effects of present direct employment schemes in the long-run. Will they largely misfire, as in America? Will there be a substitution of federal funds for otherwise committed provincial and local expenditures? Will most candidates for the new jobs in the public sector not be disadvantaged at all but merely consist of presently employed people seeking easier work at better pay?

Whatever the answers, Canadian schemes are now being launched

with new-found vigour. The public employment 'horse' is now well out of the Canadian stable. In his Budget Speech of 1977, the Minister of Finance stated:

"The employment strategy featuring the major new programs of Canada Works and Young Canada Works has already been launched. Their impact will build up rapidly through the summer and into next winter. We have had a good response from the first call for proposals from the public and private groups. This means that jobs will be created quickly. I wish to announce a \$100 million expansion of our job-creating programs to boost employment further, where it is most needed. This expanded \$458 million commitment for 1977-78 will create 600,000 man-months of employment. It will have significant impact in reducing the number of unemployed."

The public employment 'horse' is now well out of the Canadian 'stable'

Insofar as these new jobs are to be provided in the public sector, the Canadian federal government is obviously going to make considerable contributions out of public funds. A danger is that this will increase the government's budget deficit and that this will be financed by further monetary creation. Will there then be a direct worsening of inflation? And if so, will it, indeed, more than undo all the benefits? It would certainly not be the first time that government short-term policies have been perverse! [g]

The role and relevance of theory in industrial relations: a critical review

by Robert J. Davies

Amongst industrial relations practitioners, theory is often considered to be something of a dirty word. All too frequently it is viewed either as a rather extravagant luxury indulged in by academics, or as an activity which has little or no relevance for the world of industrial relations practice. Yet this view is misguided, for theory is not something that is opposed to and divorced from the real world. Indeed, the world of industrial relations is so complex that sense can only be made of it by focusing on some aspects of reality and ignoring others, by selecting information and formulating courses of action on the basis of some set of organizing principles, some implicit conception of how the world behaves.

Moreover, development of these principles and conceptions, though seldom explicitly realized as such is in effect non other than an elementary process of theory formulation. It is simply that the process has become so commonplace in the minds of industrial relations practitioners that it has come to be viewed as "mere common sense." As one observer has aptly put it, "those who glory in their pragmatism and insist that they are immune from theory are simply unaware of their own preconceptions and presuppositions." (Richard Hyman: *Industrial Relations*, 1975)

Yet this is an unhealthy state of affairs, for systematic practice, and by implication the evolution of a well-informed public policy

toward industrial relations, presupposes a systematic and explicit theory of the subject. A theory, moreover, that is open to critical scrutiny, not based upon vague taken-for-granted assumptions that are lost in the mists of hunch and popular folklore — an atmosphere which, unfortunately, is still all too pervasive in the field of industrial relations.

However, recognition of the need for a systematic theory as a necessary prerequisite to the formulation of an effective industrial relations policy merely represents a willingness to confront the problem, not a solution to it. For even among academic analysts of the subject there has been, and remains, a considerable reluctance to concentrate explicitly on the discussion and development of theory. Research in the field has tended to be characterized by fact-finding and description rather than theoretical analysis. As John Dunlop observed in his pioneering work *Industrial Relations Systems* (in a quotation partly borrowed from Julian Huxley)

"Mountains of facts have been piled on the plains of human ignorance. The result is a glut of raw material. Great piles of facts are lying around unutilized, or utilized only in an occasional and

partial manner. Facts have outrun ideas. Integrating theory has lagged far behind expanding experience." (John Dunlop: *Industrial Relations Systems*, 1958)

To some students of the field this lack of theory appears to be largely inevitable, given the highly complex nature of the subject. They argue that the factors involved in industrial relations are so numerous and occur in so many combinations and permutations that worthwhile theories are difficult if not impossible to formulate. Indeed some commentators have even gone so far as to suggest that industrial relations is better considered as an art rather than a science. And, moreover, is likely to remain so "as long as human behaviour, both individual and group, is largely unpredictable." (Douglas Brown: *University Research in Industrial Relations*, IRRR, 1952) This attitude, however, has all the characteristics of a self-fulfilling prophecy. For although in a very real sense every industrial relations situation is unique, it is nevertheless the case that a variety of common elements or 'structural determinants' can generally be identified. In short, human behaviour in the field of industrial relations is not totally capricious. The key to successful theory construction is the ability to distinguish between what is unique to any given situation and what is not, and this involves a systematic or scientific approach to the subject, not a resignation to the inevitability of randomness and idiosyncrasy.

Theory is not something that is opposed to or divorced from the real world

If a successful theory of industrial relations is to be developed abstraction is clearly essential to reduce the number of variables to manageable proportions and to provide an improved focus for analysis, prediction, and policy formulation. But which variables and which inter-relationships? To date much of the theoretical work that has gone on has sought to narrow the scope of the subject by focusing on limited areas delineated by the theoretical foundations of 'parent' disciplines such as economics, sociology and psychology. However, a number of authors have argued strongly against this 'Oedipal' attachment to mother disciplines. As Flanders has observed:

"The drawback of relying on the theory of any one of the several disciplines that have impinged on industrial relations is that they were never intended to offer an integrated view of the whole complex of institutions in the field. Theoretically speaking, these disciplines tear the subject apart by concentrating attention on some aspects to the exclusion or comparative neglect of others. And a partial view of anything, accurate as it may be within its limits, must of necessity be a distorted one". (Alan Flanders: *Industrial Relations: What is Wrong with the System?* 1965)

In the realm of policy, the consequences of one-sided or partial theorizing may be particularly serious, and may frequently lead to a variety of unintended results. Indeed, examples of this are legion. In the early 1960s, for example, a number of firms in the British automobile industry made the decision to root out shop-floor 'trouble makers' as a means of reducing what was considered to be an unacceptably high level of strike activity. The guiding principle behind this policy was the

Systematic practice and the evolution of a well informed public policy presuppose a systematic, explicit theory

notion that labour unrest was caused by groups of activists — the so-called "agitator" theory of industrial conflict (a theory which, incidentally, still has some adherents in Canada). The initial outcome of the exercise was that the number of strikes did indeed fall. However the firms in question soon found themselves faced with substantial increases in absenteeism, labour turnover and industrial accidents. What this naive view of industrial conflict had clearly failed to appreciate was that efforts to suppress *specific manifestations* of conflict without removing the *underlying causes* of unrest may simply divert disorder into alternative channels.

A similar picture emerges in relation to the application of the views of the "human relations" school to the field of industrial relations policy. The basic tenet of this approach was that the nature and quality of management/worker relations depended primarily on management's skills in meeting employees' social needs. This notion was based upon the observation that employees showed a marked tendency to relate to one another at the workplace through the formation of informal groups whose goals were frequently in opposition to those of management. However, it was the belief of the human relations theorists that the primary motivation behind the formation of these groups was social in character, and not related to any basic desire to pursue anti-management goals. Thus it was considered that if management could offer workers an equivalent sense of group involvement through the use of various man-

agement styles and personal leadership techniques, then workers could be induced to respond more willingly to managerial directives.

Again, however, the theory failed to recognize an elementary point, namely that work-group behaviour is shaped by many other influences than mere social skills. Men and women do not form themselves into informal groups in the workplace for purely social

Industrial relations research has been characterized by fact finding and description rather than by theoretical analysis

reasons. Indeed much informal group behaviour is strongly oriented toward much more basic economic and job needs — an orientation, moreover, that is constantly reinforced by workers' experiences in an acquisitively structured wider society, and within a work environment all too frequently characterized by hierarchical control, extreme division of labour and elaborate authority structures.

It is hardly surprising, therefore, that when policies derived from the human relations approach were introduced they were greeted with suspicion and distrust and singularly failed to motivate workers in the way that was intended.

From these examples it should be abundantly clear that a complete understanding of the prevailing industrial relations environment is of paramount importance and is an essential prerequisite to the formulation of policy. Industrial relations situations must be considered in relation to what may be termed the "totality of social action," recognizing that different

social phenomena are fundamentally inter-related — and therefore cannot be realistically analyzed in isolation.

This requirement would seem to lead inexorably toward the search for a “general theory” of industrial relations. However, there are dangers inherent in succumbing to this siren call of the “glamorous aggregate.” For if the search for theory in industrial relations begins with a framework which seeks to explain *all* industrial relations phenomena, the result could all too easily be a theory that is so vague and general that it is of no value in specific instances. Yet it is these specific instances that form the day-to-day concerns of industrial relations practitioners. The search, therefore, is for a theory which has as its primary purpose “relevance within as much rigour” as possible rather than merely achieving “rigour regardless of relevance.”

A variety of common elements or ‘structural determinants’ can be identified

This clearly raises, but does not answer, the question of precisely what form theorizing should take and what functions it should be expected to perform. At this point, therefore, it might be useful to specify briefly a few criteria that a useful theory of industrial relations should ideally satisfy.

It is evident that in the first instance it should seek to identify the key variables of the system to be explained and trace out the important inter-relationships between them on both an individual and a collective basis. However, this is clearly not the same thing as a simple listing of every conceivable determinant without any indication of its relative

importance. What is also required is the specification of testable, and, by implication, potentially refutable hypotheses. Finally, a theory should ideally have predictive quality in the sense that it should be capable of providing practitioners with some insight into the likely effects of their actions.

It is against these criteria that the existing theories of industrial relations should be judged. However, in assessing contributions to theoretical debate it should also be recognized that theory construction is an essentially evolutionary process. Rome was not built in a day, and it is unfair and inappropriate to criticize a set of foundations simply on the grounds that they do not yet provide a very adequate form of shelter.

The first step toward the construction of a satisfactory theory of industrial relations is undoubtedly the provision of a secure analytical focus, and this involves the formulation of a satisfactory definition of the subject. In purely descriptive terms industrial relations may be defined as the study of human behaviour as a series of relationships among individuals, groups and organizations in a work-related environment. Alternatively, it may be described as the study of the total network of social relationships in industry, of work-related human behaviour in its entirety. As an analytical definition, however, this is not really very useful for it still leaves the subject without a sufficiently clear focus for analysis.

Consequently theorists such as John Dunlop and Allan Flanders have attempted to provide a somewhat narrower definition of the subject as a basis for theory construction. As a means to this end, they take as their starting

Incorrect assumptions may lead to the suppression of specific manifestations of conflict without removing the underlying causes of unrest

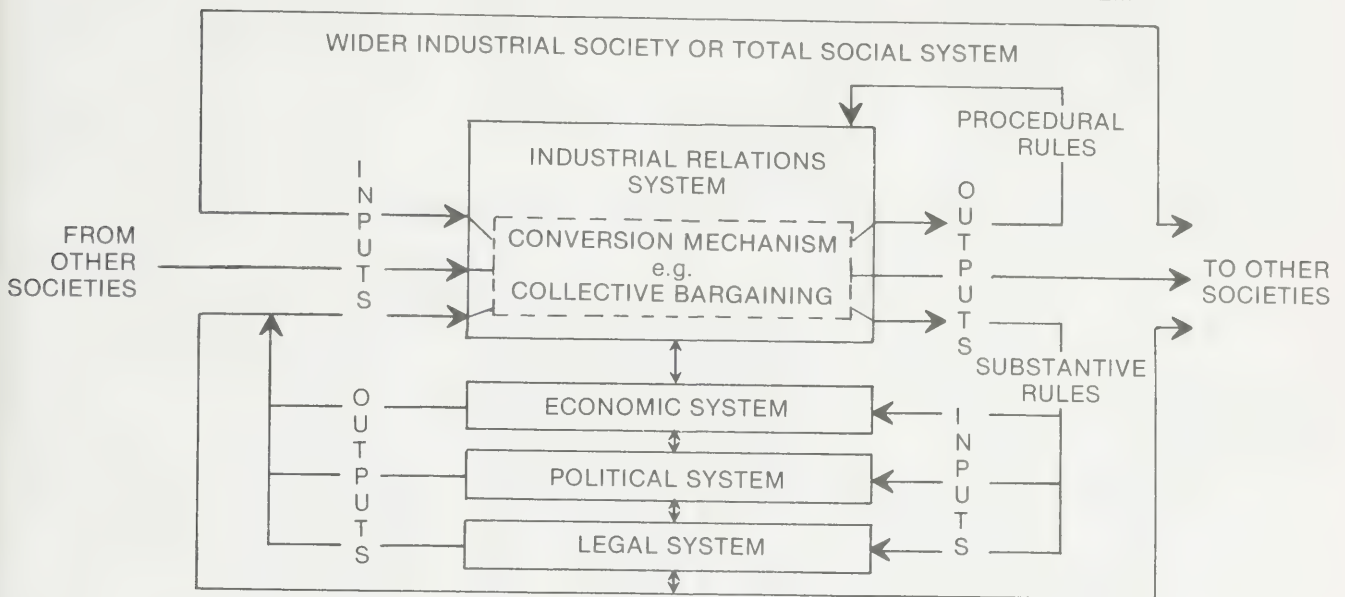
point an abstract view of industrial relations as a *system* comprising three sets of actors, (workers and their organizations, employers and their organizations, and the state and its representatives), who are regarded as confronting an environment consisting of three interrelated contexts: the technology, the market and power relations in the larger community, and, finally, the derived status of the actors. The actors are then assumed to interact within this context in the light of the prevailing ideology — where the latter is assumed to be a “commonly shared body of ideas and beliefs regarding the interaction and roles of the actors which helps to bind the system together.” (Dunlop: *Industrial Relations Systems*, 1958)

Along with other distinct sub-systems such as the economic system, the political system and the legal system, this *industrial relations system* is considered to be a subset of the wider industrial society. Moreover, although each sub-system is considered to be analytically distinct, there is nevertheless assumed to be some degree of interaction between them. Thus each system is seen as producing a variety of “outputs” which in their turn become the “inputs” of other systems. Diagrammatically this may be represented as in Figure 1.

In terms of “outputs”, every industrial relations system — whether it be at plant level, industry level, or national level — is seen as creating a complex of rules to govern the workplace. These rules

FIGURE 1

A SCHEMATIC REPRESENTATION OF THE INDUSTRIAL RELATIONS SYSTEM



may take a variety of forms in different systems. They may, for example, be expressed as formal or informal agreements, statutes, orders, decrees and regulations or simply as custom and practice. Moreover, they may serve different functions. They may be *procedural* in nature, which is to say they govern the industrial relations system *itself* by laying down the “rules of the game” to be followed during collective negotiations. Alternatively, they may be *substantive* in nature, and thus be an output of the industrial relations system in the sense that they serve to regulate behaviour in some other system. For example, substantive rules will be produced by the industrial relations system to govern employment practices, terms and conditions of work, or labour standards in the economic system.

This focus leads to a definition of industrial relations which views the *network* or *web of rules* of the workplace as the central phenomenon to be explained, and the central task of industrial relations

theory then becomes “the explanation of why particular rules are established in particular industrial relations systems and how and why they change.” (John Dunlop: *Industrial Relations Systems*, 1958)

This emphasis on rules performs the useful task of providing the subject with a degree of analytical unity and also makes it amenable to representation in the now fashionable form of a functional relationship. Thus, the rules of the industrial relations system — the dependent variable or phenomenon to be explained — may be viewed as determined by a series of independent variables where the latter comprise the actors, the technological context of the workplace, the market context, the power context, the status of the actors, and finally the ideology of the system.

Human-relations theory fails to realize that work-group behaviour is shaped by other influences besides social skills

This “systems theory” or “systems approach” has, in recent years, become the focal point of most academic writing in industrial relations theory. However, the approach is not without its critics. It has been emphasized, for example, that the mere specification of a functional relationship does not of itself imply the construction of a theory. All that is provided by such a conceptualization is an apparatus for classifying the factors which determine the rules of the industrial relations system. No systematic attempt is thereby made to show *how* the independent variables interact with one another to determine the dependent variable. Doubt therefore exists as to whether the systems approach can be construed as representing a theory at all in any meaningful sense.

Thus even though the approach highlights a comprehensive range of factors which should be taken into account in any explanation of industrial relations phenomena, and therefore helps guard against the pitfalls of partial analysis, it

nevertheless fails to generate any testable behavioural hypothesis relating to the casual significance of these variables. In short, by concentrating attention primarily on the *rules* of the industrial relations system, the systems approach fails to provide any insights into the process by which these rules are determined. Yet this process is just as intrinsically interesting as the rules themselves.

Moreover, this preoccupation with the operation of rules and procedures which regulate behaviour in industrial relations has other undesirable implications. It has, for example, served to focus inquiry on the area of conflict *resolution* rather than on the more fundamental issue of conflict *generation*. As a result, attention is directed more toward the *consequences* of conflict than toward its underlying causes — a tendency which is in close accord with the popular conception of industrial conflict as a largely destructive activity which is to be avoided at all costs. However, this is to ignore the possibility that industrial conflict may itself be a purposeful activity designed to achieve some significant change in the prevailing structure of industrial relations. As such, conflict and the factors underlying its generation are essential elements of any industrial relations system. As Hyman has observed: "If it is part of the definition of an industrial relations system that it contains built in tendencies toward equilibrium, and that radical conflict is excluded from the actors' ideologies, then it cannot be assumed that industrial relations in the real world constitutes a system at all" (Richard Hyman: *Industrial Relations*, 1975). Moreover, in a truly dynamic analysis the existence of contradictory and conflictual forces within the system must be expli-

The systems approach fails to provide any insights into the process by which the rules of the industrial relations system are determined

citly acknowledged, for it is these very forces that are the engine of change.

This brings us to another significant criticism of the systems approach, namely its assumptions concerning the nature and significance of the actors' ideologies. By ideology is meant the ideas and beliefs that are used by individuals to interpret and make sense of the world around them. These ideas and beliefs — standards of what is desirable and undesirable, legitimate and illegitimate — have a profound influence on social behaviour, and in consequence their impact on industrial relations is of immense significance. However, one of the major shortcomings of the systems approach is that its specification of the key variables of the industrial relations system excludes behavioural aspects such as individual motivations, perceptions and attitudes. Yet as one student of the field has aptly observed: "rules and decisions are products of the minds and emotions of men, they result from environmental changes only as these changes are registered in the minds and emotions." (Gerald Somers: *Bargaining Power and Industrial Relations Theory*, *Essays in Industrial Relations Theory*, 1969)

Thus, intimately bound up with the structural determinants of behaviour as elucidated by the systems approach is the question of how people *perceive* these determinants.

This point may seem an obvious one, yet despite this a significant amount of industrial relations

research is still characterized by the unwitting projection of the values of the academic analyst into the work environment, rather than the acceptance of the behaviour and perceptions of workers as being rational in their own right. However, if industrial relations theory is to be useful in the formulation of policy it must recognize the importance of *workers'* perceptions of the work situation, for it is these perceptions that determine the pattern of real world industrial relations, not those of academics.

Much research is characterized by the unwitting projection of the views of the academic analyst into the work environment

Also of relevance in this connection is the high propensity among systems theorists to define industrial relations in terms of relationships between institutions and organizations rather than between people. This propensity, known as *reification*, may be defined as the treatment of abstract collective entities, which are themselves the creations of human activity, as the relevant objects of analysis in social relations — a tendency which serves to devalue the essential part played by human beings. However, managers, trade union representatives, rank-and-file members and public officials are first and foremost men and women with ideas, beliefs and prejudices. They are not simply "disembodied representatives" of organizational interests, and to treat them as such is to overlook an essential aspect of the process of industrial relations.

Unions, in particular, cannot simply be treated as impersonal monolithic entities. They are structured organizations with a leader-

ship, officers and a rank and file, and though the latter will undoubtedly have many common concerns they will nevertheless also hold a wide variety of disparate attitudes representing a distillation of their respective experiences, values and educational and social backgrounds. Any analysis which takes as its starting point the formal institutions of trade unionism and which implicitly assumes that the views of the union as a whole can be automatically equated with those of the leadership is in grave danger of losing sight of the fundamental point that trade unions are primarily about the problems and aspirations of *workers*.

Indeed, these problems and aspirations may often find expression outside the formal channels of unionism. At times, workers may choose to act individually rather than collectively because they view the official union as irrelevant to their needs — a point that should be borne in mind by all those who glibly suggest that if only “unions”, “management” and “government” could get together in a tripartite forum many of our industrial relations problems would be solved. For unless such gatherings are perceived by workers to be serving their best interests the result will simply be to channel unrest into alternative forms.

One final aspect of the systems approach that deserves some attention is the question of the ideology of the industrial relations system as a whole. In the words of the systems theorists: “an industrial relations system creates an ideology for a commonly shared body of ideas and beliefs regarding the interaction and roles of the actors which helps to bind the system together.” (Dunlop) Analytically this should be kept distinct from the ideologies of the individual actors which may or

may not coincide with the ideology of the system as a whole. Indeed, it is the degree of congruence between these ideologies which largely determines the stability or otherwise of the industrial relations system, as well as the extent to which its operation is considered to be legitimate by the individual actors. However, this clearly begs the question of what the precise nature of this shared ideology might be, and in this connection it is instructive to review briefly the various perspectives that have informed popular as well as academic thinking on industrial relations.

Unions cannot simply be treated as monolithic entities

The perspective that has probably had the most profound effect on conventional public attitudes toward industrial relations is that of unitarism. According to the unitary perspective, industrial organizations are appropriately viewed as teams striving collectively toward common objectives. Both management and workers (and, indeed, shareholders) are seen as having a basic harmony of interest in promoting the success of the enterprise. Accordingly, any apparent demonstration to the contrary in the form of overt industrial conflict is considered to be largely due to ignorance, irrationality, shortsightedness, an inability to grasp the basic laws of economics, or to the activities of “agitators” who create mischief out of nothing. Indeed it was just this view of the enterprise that informed the policy prescriptions of the human relations school as well as the anti-agitator policies of the auto firms that were briefly outlined above. Yet as we have seen, these policy prescriptions largely failed, not least because the experience of the average

The unitary view presents a vision of what industry ought to be like rather than a picture of what it is actually like

worker in both the work environment and in the wider society constantly contradicted the notion of a basic unity of interests between managers and managed.

Indeed, against such a background, appeals to the notion of a community of interest are just as likely to accentuate cynicism and distrust among workers as they are to promote willing co-operation.

The unitary view, in short, largely represents a vision of what industry *ought* to be like rather than a picture of what it is *actually* like. Not surprisingly, therefore, the whole view of industrial organization embodied in this perspective — though still attracting a significant number of popular adherents — has long since been abandoned by academic writers as inconsistent with reality and useless for purposes of analysis. These writers have chosen instead to adopt a *pluralist* frame of reference which, in contrast to the unitary view of society, explicitly acknowledges the existence of divergent interests within industry. This fact notwithstanding, however, pluralists generally go on to assume that these divergencies are not so fundamental as to be irreconcilable, and that co-operation can be “engineered by structural adaption in work organization, work rules and work practices.” Indeed, it is this very ideological stance that lies behind much of the thinking of the systems approach, and which is largely responsible for the latter’s focus on the *resolution* of conflict and its corresponding preoccupation with the evolution of institutionalized “rules of the game” as

a means of mediating industrial strife.

Though the pluralist frame of reference clearly represents a more realistic view of industrial relations than that embodied in the unitary perspective, this should not be taken to imply that it is necessarily *universally* applicable to the world of Canadian industrial relations practice. Indeed, to illustrate this, one has simply to look at one "mediating institution" that has received a good deal of public attention recently, namely the system of collective bargaining.

This institution has been variously described by systems theorists as "the great social invention that has institutionalized industrial conflict" and "the social process that continually transforms disagreements into agreements in an orderly fashion." During the past few years, however, confidence in Canada's industrial relations system has been significantly eroded, with particular disaffection being voiced over the operation of the institution of collective bargaining, as well as over the so-called 'adversary system' on which it is deemed to be based. These feelings have been prompted not least by the increasingly pervasive impression that Canada is becoming accustomed to "consuming strikes with its corn-flakes." Accordingly, it has become more and more apparent that, in contrast to the assumptions of the pluralist perspective, not all conflicts in industry are readily amenable to effective resolution via institutional devices such as collective bargaining.

This brings us to what may be described as the radical perspective on industrial relations, a perspective which views conflict not only as fundamental, but also as a potentially irreconcilable feature of industry as it is

Many of the predictions derived from the radical view have some basis of fact in Canada

presently structured. Moreover, it seeks to emphasize that this conflict stems from inequalities in the structure of power in modern society which are in turn reflected in the way work is organized. It stems, in short, from the treatment of labour as a commodity subject to the vagaries of the market; from the stunting consequences of the pursuit of efficiency via the extreme division of labour into routine and meaningless tasks; and from the emphasis on hierarchical and authoritarian control rather than on individual worker discretion. The inevitable consequence of such a system is seen as an increasing power struggle in the workplace — "a continuous process of pressure and counter-pressure, conflict and accommodation, which continually defines and redefines the frontier of control." (Hyman)

This perspective leads to a definition of industrial relations in terms of the study of "the process of control over work relations," a definition which seeks to divert attention from the existing preoccupation with rules and the institutions of job regulation and conflict mediation, and toward a fuller recognition of the central role of power and conflict.

The implication of this view of industrial society is that as workers become more aware of the alienating character of their work lives they will be driven increasingly to voice their dissatisfaction both on an individual basis (through absenteeism, high labour turnover, low morale and poor-quality workmanship) as well as on a collective basis (through strikes, work-to-rules, resistance to technological change, etc.) These

developments, it is suggested, will put increasing strains upon mediating institutions such as collective bargaining, eventually causing them to break down with the result that the legitimacy of the existing rules and structure of the industrial relations system will be called into question. Moreover, the only solution is seen as a fundamental shift in the structure of power in society and a radical change in the nature of work itself.

Though one may be unwilling to accept the full implications of this radical analysis, there can be little doubt that many of the predictions derived from it already have some basis in fact here in Canada. Indeed the strains that the Canadian industrial relations system has been experiencing — several of which have already been alluded to — have put increasing pressure on both federal and provincial governments for some form of intervention. This clearly brings us face to face with the question of the appropriate form of policy, and begs the question of what insights, if any, can be gained in the light of our preceding theoretical discussion.

From our examination of the systems approach and brief review of the radical perspective on industrial relations it should be clear that if policy makers are looking for a comprehensive and generally accepted body of theory to guide their actions, they are likely to be disappointed. Quite simply the subject has not yet progressed that far, (in company, it might be added, with most other branches of social science). This fact notwithstanding, our theoretical discussion is still capable of making some contribution by enabling policy makers and industrial relations practitioners to make more informed judgements in the policy sphere — if only by encouraging them to think about

problems in a more systematic way. Moreover, by helping to place current industrial relations problems in an historical as well as in a correct economic and social perspective, theory can also act as a guide to the likely consequences of alternative courses of action.

In the first instance, it is essential that in establishing a diagnosis of Canada's present industrial relations problems, attention be directed toward *causes* rather than symptoms, at the underlying *sources* of conflict rather than their surface manifestations. In terms of the schematic representation of the Canadian industrial relations system presented in Figure 2, the "perceived policy problems" are simply the *manifestations* of conflict whose source may, in many instances, be traced back to the nature of the Canadian work environment itself. It is therefore to the latter area that attention should be directed in the formulation of policy. However,

Do present strains on the collective bargaining process lie primarily with the nature of work itself, with the nature of modern technology and society?

this is not to suggest that attention should not also be directed toward an examination of the functioning of mediating institutions such as collective bargaining, and attempts made to improve the efficiency of their operation.

Having established that the nature of the Canadian work environment requires close scrutiny, it follows that it is also essential that those factors that have affected it in a way that has served to contribute toward the recent escalation of industrial conflict should also be clearly identified. Accordingly, Figure 3 considers five factors, broadly derived from the systems approach, that are considered to be of particular significance,

namely the economic context, the technology, the power relations, the actors (and their perceptions), and the prevailing ideology. In addition to a brief descriptive outline of the nature of the impact of each of these factors, the figure also presents their implications in terms of the type of industrial relations problems that are likely to be generated, as well as the types of policies that might be considered to tackle them.

In the light of our previous criticisms of the systems approach, however, care should be taken not to read too much into Figure 3 in relation to the design of an appropriate industrial relations policy for Canada. For while the figure rightly points to the fact that the roots of industrial conflict are to be traced to a variety of different sources — to factors such as inflation and concern over wage relativities, to the alienating character of the work environment, to resentment over subjection to hierarchical authority, to perceived

FIGURE 2
DEFINING THE PROBLEM: THE CANADIAN INDUSTRIAL RELATIONS SYSTEM

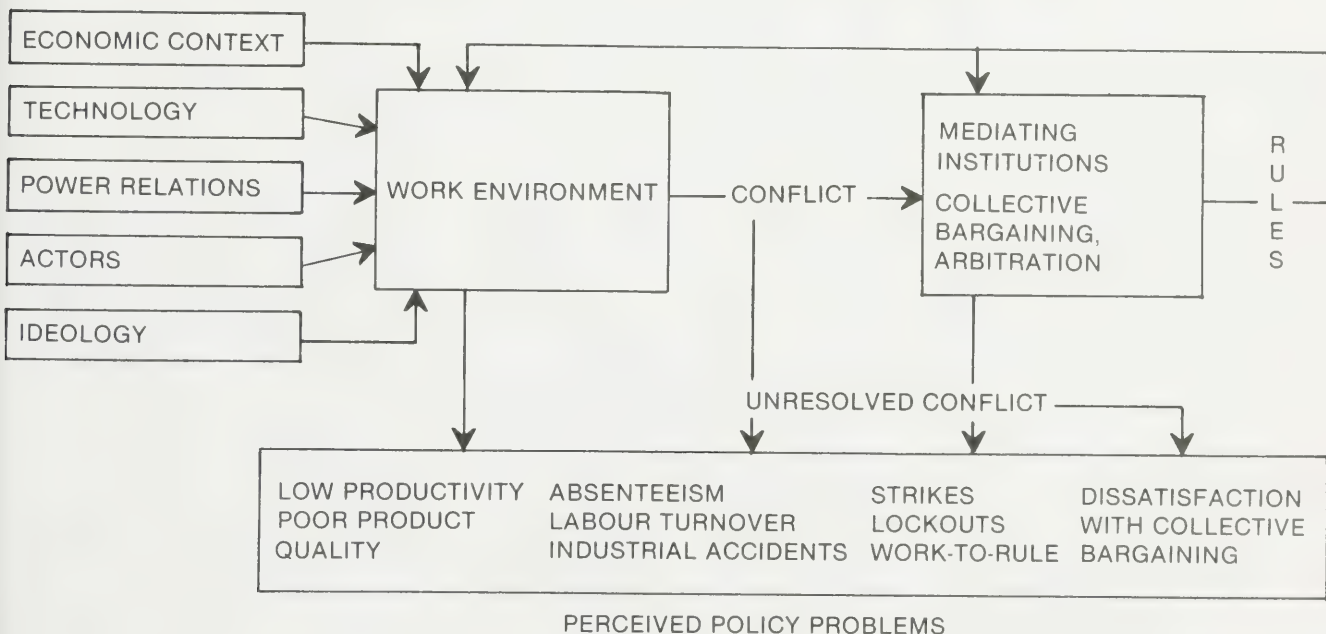


FIGURE 3

Factors Affecting Work Environment	Economic Context	Technology
Nature of Impact (causal factors)	High rate of inflation affecting workers' real incomes. Slow rate of economic growth providing less scope for improvements in standard of living. High unemployment and increased risk of redundancy. Operation of wage and price controls. Concern over wage relativities and 'fair' comparisons.	Emphasis on mass production technology. Extreme division of labour involving dehumanization of work through division into routine and meaningless tasks. Little room for individual discretion. Frequent lack of concern for worker health and safety.
Implications (manifestations)	Increased hostility generated during wage negotiations. Disputes become more protracted. Workers' wage expectations frequently frustrated. Increased uncertainty surrounding bargaining relationship.	Lack of worker involvement in work tasks. Alienation. High labour turnover, absenteeism, sickness and industrial injuries. Lack of pride in work leading to poor product quality, low productivity, poor morale etc. Workers increasingly seek satisfaction outside workplace and develop preoccupation with 'extrinsic' or material rewards.
Policy Responses	A variety of macro-economic anti-inflation policies. Wage and price controls (which may themselves cause worker hostility). Indexation. Measures to stimulate investment and employment on a macro-economic as well as a more selective basis. Improvement in information available to both sides of bargaining unit.	Introduction of various forms of industrial democracy, including quality of worklife experiments, worker participation etc. Recognition of human and social costs of mass production technology. Adequate health and safety legislation.

inequalities in wealth, power and status — it nevertheless fails to provide any precise *quantitative* indication of their relative importance. Moreover, no analysis is given of the way in which the various casual factors interact. However, before adequate policy prescriptions can be formulated, detailed information of this type is required, and a host of important questions need to be answered.

For example, do the present strains on the collective bargaining process stem primarily from the effects of inflation and prevailing economic uncertainties as many economists suggest? Will they therefore largely resolve themselves if inflation is brought under

control? Or does the problem lie primarily with the nature of work itself, with the nature of modern technology and society.

However, even providing a satisfactory answer to these questions merely serves to raise a host of others. What *forms* of technology are associated with increased conflict — are the problems largely confined to mass-production assembly-line techniques, or are they more widespread? Is it the nature of the technology per se that is significant or does the size of the plant in which the technology is employed have some bearing? Do all workers react to technology in the same way, or are problems confined to specific

groups with identifiable characteristics — the young, the better educated, and so on.

All these questions, and more, need satisfactory answers if the design of industrial relations policy is to be well informed rather than merely impressionistic. The answer, perhaps predictably, lies in further research and more and better industrial relations scholarship. It is important, however, that this research should not merely "follow the headlines," for although it is the problems of the moment that generate the most public attention and therefore provide the greatest stimulus for political action and policy formula-

Power Relations and Status	Actors	Ideology
Workers subject to vagaries of the market with accompanying threat of redundancy and unemployment. Subjection to hierarchical authority. Unequal distribution of income and wealth. Ownership of means of production concentrated in a few hands.	Each individual brings to the workplace a distillation of his background, education etc. Many workers in low status jobs are socialized to accept the pay cheque as being of paramount importance with the consequent relegation of the quality of worklife to a second order of priority. However, attitudes toward work are subject to change with increasing demands for the scope to exercise personal discretion and for a sense of involvement in work.	Lack of congruence between unitary view of society frequently espoused by managers, politicians and media, ("If only workers could come to realize that everyone benefits from hard work and higher productivity"), and the everyday experience of workers in a society where they observe a host of inequalities. Some workers beginning to question whether the system really serves their best interests.
Continued subjection to authority of others and treatment as a dispensable commodity rather than as a human being breed resentment and conflict. Recognition of individual powerlessness leads to formation of 'collective' institutions such as unions — attempts to promote countervailing power. Resentment over observed economic and social inequalities.	Preoccupation with pecuniary rewards, and resentment and conflict if they are not readily forthcoming. Academic discussion of improved quality of worklife frequently viewed with skepticism as a device for promoting compliance and undermining solidarity. However, changed attitudes about the role and value of work amongst some sections of workforce may generate conflict in face of dehumanizing low trust work environment.	Appeals to 'team' analogies may evoke hostility, resentment and suspicion amongst workers whose view of the structure of society is radically different. Policies informed by misguided ideological view of society may simply make problems more intractable. Legitimizing institutions such as collective bargaining may be subject to increasing strains.
Adequate unemployment insurance, retraining facilities and employment services. Unfair dismissal legislation. Recognition of essential role of trade unions. Extension of basic democratic rights to workplace in order to give workers some degree of genuine control over their work lives. Public ownership of means of production.	Recognition of importance of worker perceptions and factors that have contributed to them. Avoidance of naive preoccupation with institutions. Promotion of a genuine system of industrial democracy. Improved facilities for worker education.	Recognition of realities of industrial life. Genuine commitment to meeting needs of workers as desirable end in itself. Educational programs.

tion it must be emphasized that, as Somers has argued:

"Long-range research projects, based on carefully formulated theoretical propositions, will be more productive of useful policy recommendations when such recommendations are required than a tilting at the windmills of passing fancy. Usefully applied industrial relations cannot spring full blown out of a vacuum of desire to influence policy. It must stem from basic, long-term research into continuing industrial relations phenomena." (*Proceedings of the Industrial Relations Research Association*, 1962)

This implies an on-going commit-


ment to long-term research into what has been termed the 'great central concerns' of industrial relations — the theory of the labour movement, the theory of collective bargaining, the theory of industrial conflict, the theory of wage determination and the theory of participation and industrial democracy.

Equally, however, there can be little doubt that if both industrial relations theory and industrial relations policy are to progress satisfactorily, they must develop together, each informing the other in a continuous process.

Whether this course is a realistic prospect is a matter for conjec-

ture. However, some encouragement may perhaps be derived from A.N. Whitehead's observation:

"All the world over and at all times there have been practical men absorbed in irreducible and stubborn facts; all the world over and at all times there have been men of philosophical temperament who have been absorbed in the weaving of general principles. It is the union of passionate interest in the detailed facts with equal devotion to abstract generalization which forms the novelty of our present society."

It should be added that we must be constantly vigilant to ensure that this novelty does not wear off. 

The case against 'right-to-work' laws

by Ed Finn

One aspect of the American labour relations system that has never been imported into Canada — for which the unions here give thanks! — is right-to-work legislation.

The term "right to work" used in this context is misleading, for it has nothing to do with guaranteed employment. It is a euphemism for the prohibition of basic union security measures, such as the union shop and closed shop, which make union membership a condition of employment.

Those employers who espouse right-to-work laws profess to be motivated by a concern for the worker's freedom. He shouldn't have to join a union if he doesn't want to, they argue. The fact that they can pay a non-union worker considerably lower wages, of course, has nothing to do with their efforts to ban union security clauses in collective agreements. They have only the worker's interests at heart. Or so they would have us believe.

Right-to-work legislation has been plaguing unions in the United States for the past 30 years, ever since the Taft-Hartley amendments to that country's Labor Relations Act empowered individual states to outlaw the union shop.

Since 1947, 25 states have enacted right-to-work laws, with five having subsequently repealed them. The 20 who retain such laws (most of them in the Deep South) are predominantly agricultural, with relatively small and weak unions, and comparatively low wage levels. Annual U.S. Labor Department statistics consistently show most

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of the right-to-work states lagging well behind the others in per capita income, but — by a strange coincidence — forging ahead in the size of corporate profits.

While Canadian unions have taken a mild interest in this peculiarly American display of anti-unionism, they haven't — until recently — felt any anxiety over it. No right-to-work laws were on Canadian statute books, and none were being contemplated by any government. The few exponents of such legislation had little influence or lobbying power.

Within the past year, however, the Canadian labour movement has become alarmed by the mounting support for right-to-work laws, and the pressure for their enactment in Canada. It may be only another symptom of the country's growing anti-labour mood, as reflected in recent public opinion polls, but it is a threat the unions can no longer afford to ignore.

The Canadian Construction Association is pushing for right-to-work laws to apply to the building of the proposed northern oil and gas pipeline. The CCA's excuse is that it wants to hire native Northwest Territory workers instead of the

The term "right to work" is intentionally deceptive

unionized construction workers in the south.

The fact that native northerners, if employed, would be paid at rates well below union scales, thus increasing the companies' profits, is not being emphasized by the CCA in its lobbying efforts.

Ron Lang, research director of the Canadian Labour Congress, accuses the CCA of exploiting "an explosive political situation" by promoting right-to-work laws as a solution to native hiring. But he points out that such laws do not guarantee work for any individuals or groups, nor do they compel employers to offer anyone a job or to pay decent wages.

"The term right-to-work is intentionally deceptive," says Lang. "It implies the right to a job, but its only purpose is the destruction of union security — not just the closed and union shops, but the maintenance-of-membership clauses, and even the Rand Formula provision requiring employees to support the union through a dues checkoff."

The impact of such legislation in the North, he argues, would mean in practice the payment of non-union wages — not only in the construction of the pipeline, but in all other construction and industrial development.

"In a region which already suffers the highest cost of living in the country," says Lang, "it will bring the lowest level of income, and thus the lowest standard of living. Those who advocate right-to-work

laws as a means of protecting residents of the Northwest Territories are, in reality, proposing to create a captive work force for the employers."

Nor would there be any assurance that northern people would in fact be hired. They need to be trained in the various aspects of construction work, and the construction companies would have to establish full-time offices for such training and hiring. Otherwise, most of the hiring will continue to take place outside the Territories.

In the case of the pipeline, that would only mean a primarily non-union southern work force would replace a primarily unionized southern work force.

There is mounting support for right-to-work laws in Canada, and pressure for their enactment

The North is not the only place where employers' organizations are applying pressure for right-to-work amendments to existing labour codes. In Alberta, the annual convention of the governing Conservative party last spring endorsed a thinly-disguised right-to-work resolution. The province's New Democratic Party leader, Grant Notley, denounced the resolution as "an attack on the rights of working people." NDP provincial secretary Ray Martin said that "such an obvious declaration of war against the labour movement is staggering," and union leaders in Alberta called it "shocking" and "frightening."

Martin added: "The American experience with legislation designed to outlaw union shops has shown that one thing, and one thing alone, is accomplished — workers' wages drop far below

those paid in areas where such legislation does not exist."

It is in British Columbia, however, that the strongest campaign for right-to-work laws seems to be building up. The province's powerful Independent Contractors and Businessmen's Association is leading the drive, assisted by (among other employers' groups) the Union of B.C. Municipalities.

B.C.'s Social Credit government has so far resisted the pressure, but openly admits that the idea is favoured by many of its caucus members.

The B.C. Federation of Labour was sufficiently alarmed to pass a strongly worded resolution at its last convention calling right-to-work legislation "a passport to poverty," and roundly condemning what the federation described as "a carefully orchestrated campaign against the union shop in this province."

Says the federation's secretary-treasurer, Len Guy: "An attack on the union shop is an attack on the right of unions to exist. It is also a threat to the basic principle of majority rule."

He notes that the American states that have adopted right-to-work laws are the same ones that champion "the law of the individual" as an alternative to the democratic process.

"If you enshrine in law the concept that the will of the majority means nothing if the individual disagrees," Guy argues, "you foster the attitude that democracy and majority rule are worthless. If the individual worker is legally enabled to disregard the decision of a majority of his co-workers to have a union, then it is only an extension of that concept to decide against paying taxes or

Employers who espouse right-to-work laws claim they have only the workers' interests at heart

conforming to any other law or policy that civilized society adopts.

"The John Wayne old-west philosophy may be fine for entertainment, but as a basis for running a country it's a formula for chaos and anarchy."

On behalf of the federation, Guy presented a brief to B.C.'s minister of labour, Allan Williams, warning that the adoption of right-to-work laws would "create chaos in industrial relations."

"They would also make strike-breaking easier," the brief asserted. "They would result in lower wages, poorer working conditions, and a lower standard of living for British Columbians. They would increase the profits of a few greedy businessmen, in the short run, at the expense of everyone else."

Williams was one of the few sacred cabinet ministers who spoke against the enactment of right-to-work laws at the last B.C. Social Credit convention, and Guy commended him for it. But he added that the federation "will not hesitate to do all in its power to prevent any attempt to impose these laws by your government or any future government."

A version of right-to-work legislation came before Parliament last June in the form of a private member's bill introduced by Conservative MP Frank Oberle, who represents the B.C. riding of Prince George - Peace River. As usually happens with private members' bills, his proposal to prohibit union security and dues

checkoff clauses in collective agreements was talked out. It was, in fact, opposed by the labour critic of his own party, fellow B.C. MP John Fraser, as well as by the NDP and Liberal party spokesmen.

Fraser, however, pointedly warned that the introduction of such a bill signified that "many people are demanding this kind of legislation," in the mistaken belief that unions are lacking in internal democracy.

In introducing his bill, Oberle trotted out all the anti-union arguments used by right-to-work proponents. The union shop, he said, "is a denial of individual rights and freedoms. (It gives) union bureaucrats...an enormous amount of power over the rank-and-file members...Right-to-work legislation in the U.S. has actually increased union membership...It does not infringe upon the democratic process."

This article is written with a clear bias against right-to-work laws

Liberal Robert Daudlin (Kent-Essex) said he couldn't swallow Oberle's "candy pill." He said that the Canada Labour Code, in providing for the negotiation of union security clauses, is being permissive, not mandatory.

"It would seem to me," he added, "that workers should have the right, first of all, to join a union, and then to negotiate with employers a situation in which they are the only source of labour. I see nothing wrong with that, provided it is not imposed."

Daudlin recounted the origin of the Rand Formula, which was devised by the late Justice Ivan C. Rand as one of the conditions for settling

"Right-to-work laws...would reduce workers' incomes and ultimately impoverish the country's working class"

an historic strike against the Ford Motor Co. in Windsor. It provided for compulsory checkoff of union dues — even from the minority of workers who didn't want to join the union — on the basis that all who benefit from the union should contribute financially to its operation.

"If we adopted the honourable member's bill," he said, "we would be throwing this principle out, allowing employees who receive all the benefits negotiated by a union to pay nothing for them. I think that would be both inequitable and unfair and would be a regressive step..."

After the NDP's Stanley Knowles also denounced Oberle's bill as "regressive" and "revealing a complete lack of understanding of how trade unions operate," Fraser stated his reasons for disagreeing with his colleague.

"I cannot support the bill for several reasons," he declared. "First of all, in the vast majority of unions in this country democracy functions, and it functions well. Secondly, if right-to-work laws were enacted, they would be taken as an attack on union security by every trade unionist in the country."

"I can assure honourable members," said Fraser, "that the 3.2 million union members in this country and their families do not consider themselves undemocratic or somehow alien to the civil traditions of our society."

Like most issues involving unions, the right-to-work controversy tends to evoke strong feelings on both

sides, with debate often generating more heat than light. Objectivity is difficult to achieve. This article is written with a clear bias against right-to-work laws, a bias shared by all union officials, and cannot pretend to fairly represent the affirmative side of the discussion.

It may be instructive, then, to examine an article on the subject by an objective observer, Jerry Meadows, featured in a recent issue of the B.C. Ministry of Labour's official publication, *Labour Research Bulletin*. Meadows lists in detail both the pro and anti right-to-work arguments, looks at the U.S. experience, and only then draws his conclusions.

In summary, here are the major pro and con arguments listed in the article:

Pro: Compulsory union membership violates an individual's freedom, namely the right *not* to belong to a union.

Anti: Majority rule applies in all other democratic situations, why not in union membership? Employers' defence of "freedom" in this case is merely an attempt to weaken the union.

Pro: Unions don't deserve to be stronger than voluntary support will sustain. Management shouldn't have to compel employees to finance a union against their will.

Anti: Once a union is certified for a group of workers, it is compelled by law to represent all of them, even those who refuse to join the union. All workers are thus beneficiaries of the union's collective bargaining and grievance-handling services. They should therefore pay their fair share of the union's

operating costs, even if they don't want to become members.

Pro: Unions should not have an automatic guarantee of workers' support, but should constantly be vying for their loyalty — and earning it. The threat of withdrawal of membership is a needed goad to satisfactory union performance.

Anti: Labour laws already provide for the decertification of a union at the desire of a majority of its members, and also for its replacement by another union through the legal and permissible raiding periods.

The controversy evokes strong feelings on both sides...Objectivity is difficult to achieve

Pro: Right-to-work laws will help spur economic growth in a region by providing assurance of a stable labour force.

Anti: Such laws, by weakening or destroying unions may make profiteering much easier, but by lowering wage and salary levels they also impose upon working people and their families a much lower standard of living.

Looking at the U.S. experience, Meadows cites statistics showing that states without right-to-work laws enjoy "substantially higher averages" for each of four economic factors — per capita income, weekly wages in manufacturing, maximum unemployment insurance benefits, and minimum wage level — than do states that have adopted such laws.

Although the right-to-work states have only slightly more than half as many workers unionized as the other states, their rate of strikes and other forms of industrial

...The push for right-to-work laws is coming exclusively from business...


conflict was almost as high. One U.S. study quoted by Meadows concluded flatly that "the existence or non-existence of a right-to-work law does not, to any significant degree, affect levels of industrial conflict."

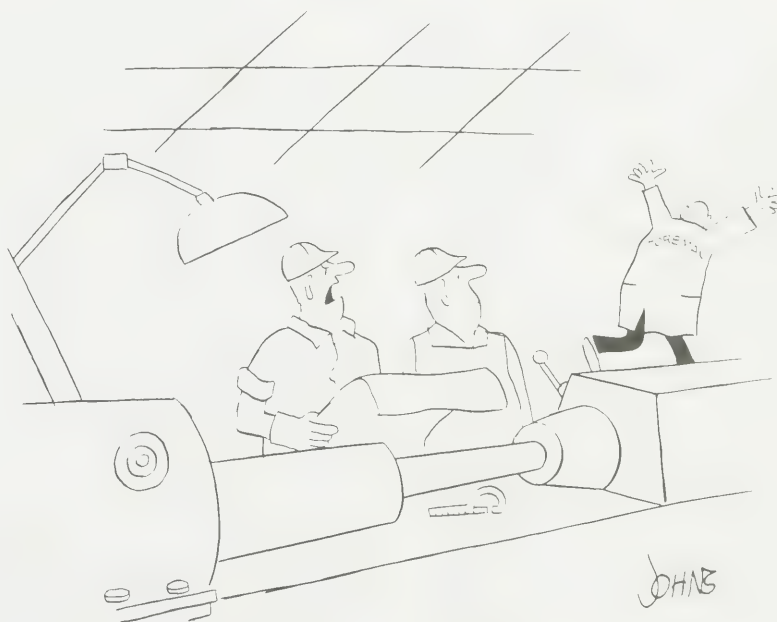
Noting that the push for right-to-work laws is coming exclusively from business and employer groups, Meadows says in conclusion: "A right-to-work movement seemingly ought to emanate from that sector of society most affected (namely workers). As long as it is primarily others, with interests somewhat divergent from those of workers, who most ardently espouse the right-to-work cause, one should remain skeptical of what it bodes for a mature, harmonious industrial relations climate.

"While right-to-work laws may in part be intended to reduce labour militancy, the threat of the introduction of such regulations has often had a pronounced opposite effect."

Meadows' views, though expressed much more politely, echo those of most Canadian union officials.

Says the CLC's Lang: "Right-to-work laws would violate the principle of majority rule, create a class of free-loaders, undermine the collective bargaining process, weaken and perhaps even destroy unions, drastically reduce workers' incomes, and ultimately impoverish the country's working class."

Feeling as strongly as that, Canadian unionists can be expected to muster all their resources against any move by the federal or provincial governments to import American right-to-work laws from the Deep South to the Far North. 



"BOY! HE SURE MAKES A FUSS OVER ONE LITTLE DECIMAL POINT"

Worker participation — some views from Quebec

by Pierre Vennat

If worker participation is to become a normal part of Canadian industrial relations, it must be according to a Canadian-made formula and not one imported from abroad. Moreover, that formula must take into account the Canadian system of adversary collective bargaining.

Whatever differences may exist in Quebec on the subject among academics, unionists and managers, a consensus does appear to be developing at least around those points. That consensus is emerging in many forums, among them the industrial relations conference at Laval University last spring.

And Bernard Solasse, a sociologist at Laval University, holds that worker participation is such an urgent need that if at least a minimum consensus is not reached on making it a reality, it will be imposed by government, as has already been done in dealing with inflation.

Here is how Professor Solasse develops that thesis: Canada, like every other society, is faced with major decisions affecting its future, whether on energy and agricultural policies, the exploitation of raw materials, space management, urban development, or the preservation of the natural environment or renewable and non-renewable resources. Nothing constructive can be achieved in these areas without a minimum consensus among the various organized groups. For although

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they are not evenly matched in power or influence, even the least powerful of them is capable of compromising the success of any given policy that may be adopted.

To Solasse, this is why governments consider a quest for true consensus to be of paramount importance and why, in Ottawa and Quebec City, the concept of participation is now in vogue generally and not solely in the field of industrial relations. Governments are attempting to achieve a social contract in all areas.

This, he holds, would enable Ottawa to develop Canada along federal lines and Quebec City to attain independence through peaceful means. And thus he feels that it is at the national level, where overall policies are concerned, that the question of participation is most relevant.

Hence, Solasse says, unions should think twice about what their strategy should be, at least inasmuch as they want to change the system. Obviously, to partici-

There is a consensus that the participation formula must be developed in Canada and take collective bargaining into account

pate is to commit oneself, to become involved, even if only by listening to what others have to say. But not to participate at all is to isolate oneself, to withdraw into one's shell, to carry on the revolution from day to day but without venturing outside the central labour body. Here, again, strategy is involved. To Solasse, in view of the prevailing conflicts of interest and of class, the only possible solution is what he terms a "conflictual" form of participation, granted, this would lead only to temporary truces over limited territory. But truces, he argues, can provide an opportunity for a certain degree of progress.

In short, Solasse is concerned less about whether forms, levels or areas of participation are discussed, but more about the urgency of the questions to be resolved.

Another Laval academic, Professor Laurent Bélanger, is very much concerned with the form of participation, however. He says none of the forms of co-management now established in some European countries can be successfully transplanted to North America, where collective bargaining is the pre-eminent form of participation.

As for a management view, Ghislain Dufour, executive vice-president of the Quebec Employers' Council, has made it clear that employers refuse to accept imported structures, particularly the German form of co-determination. Since managers

have the upper hand, it is pointless to discuss that form of participation if they don't want it.

According to Dufour, the very principle of co-determination is contrary to other principles that Canadian employers are not prepared to abandon — including the rights of ownership, management rights, and a company's need to maintain its adaptability in a market economy.

Dufour has made it clear that employers oppose formulas imposed through general legislation. For example, the Council opposes the program of the Parti Québécois, which advocates state intervention with a view to encouraging, in law and in fact, the development of democratic forms of management designed to give workers partial or complete control over the operations of their employer, through formulas that would vary from sector to sector of the economy.

In short, employers are willing to consent only to individual experiments in participation, instituted in specific enterprises, and wrung out of collective agreements.

In future, therefore, collective agreements may continue to play a fundamental role in the transformation of economic structures, with the participation of, and according to the specific needs of, all the groups involved. One condition must be met, however: We must, as a collectivity, avoid the temptation to seek all-encompassing solutions.

Nevertheless, Jacques Couture, Quebec's former minister of labour and manpower, launched a search for just such solutions. As part of its long-term program, the PQ proposes to give labour organizations access to company information and to involve them in the

If a minimum consensus is not reached on making participation a reality, it will be imposed by government

decision-making process in both company operations and in the government's social and economic policies. This is quite an explicit statement of intent. It is specifically proposed that, in each sector, the actual application of legislation governing working conditions be entrusted to tripartite committees representing union, management and government.

There are three objectives in the labour relations field which Couture felt to be especially indicative of the orientation favoured by the PQ program: the promotion of democratic forms of management, the gradual implementation of this democratization, and the provision of the services of specialists, paid by the government.

In the short term, the Quebec department of labour intends to concentrate its efforts more particularly on drafting a bill on minimum working conditions. It will constitute a sort of basic contract for all Quebec wage earners and provide a framework for the protection of non-unionized workers and all employees who do not yet enjoy the working conditions it outlines. It will contain provisions on wages, hours of work, overtime, meal and rest periods, paid holidays, maternity leave, vacation leave, the length of notice of dismissal and other basic matters.

Within the framework of the bill, the department is also studying the possibility of providing for the establishment of in-plant committees whose sole responsibility

would be to supervise the future legislation.

In the longer term, the government is reportedly on the lookout for new methods and new forms of worker participation that might improve the climate of labour relations in the province and, above all, enable the workers to find a true sense of purpose in their work and some form of commitment to the life of their community.

Co-determination ventures already do exist in Quebec, of course, and no discussions of worker participation would be complete without a look at them, particularly the widely known examples of Tembec and Tricofil.

The very principle of co-determination is contrary to other principles that Canadian employers are not prepared to abandon

Jean-Guy Frenette, the Quebec Federation of Labour's economist, who was closely involved in the Tricofil project, holds out this gloomy prognosis: At the present time, a worker experiment in production such as that at Tricofil represents too great a risk, and he feels that it is "humanly impossible" for other employees to follow the path taken by the Tricofil workers. For the Tricofil employees had to break new ground in the past and are still finding themselves obliged to do so. Frenette says that only an exceptional group of workers could confront so many obstacles and so much opposition without abandoning their aspirations to create profitable employment for themselves over which they would have full control.

Frenette explains that, in manage-

ment and government circles in Quebec, the concept of worker participation has never passed beyond the state of serious study. Even though people profess not to be opposed to this type of experiment, he points out, no pragmatic approaches or permanent support mechanisms have ever been made available to workers to enable them to build a new work environment — except in the case of the government intervention at Tricofil last January.

Frenette feels that these “isolated and uninspired” interventions would always remain marginal solutions in the light of the need to redefine the role and status of the worker in his work environment as well as of the meaning and value of work in our society.

Guy Saint-Pierre, the former provincial minister of industry and commerce, maintains, however, that the Tricofil undertaking is a viable one — that is, if viability has anything to do with continuity and longevity.

Saint-Pierre does not see the imposition of an “inflexible political will,” or a study commission or a crash operation as possible solutions. He says that in Quebec, as in any other jurisdiction, legislation provides a frame of reference which can be implemented only after a change has been wrought in mentality, behaviour and attitudes. Here, again, we must resist the temptation to assume that structural changes necessarily bring about radical changes in man.

Saint-Pierre maintains that participation, to be successful, must originate and be experienced at the grass-roots level; it cannot

To be successful, participation must originate and be experienced at the grass-roots level.

be imposed from above. To him, it is useless to contemplate including union members on boards of directors if the problems inherent in participation have not been understood and “lived” at the shop-floor level.

Saint-Pierre also believes that it cannot be taken for granted that workers in general want participation. Articles published in *La Presse* on the classic examples of Cabano, Tembec and others show quite clearly that the desire to develop or maintain job-creating economic activities far outweighs any ideological considerations.


The record of participation in the public sector is hardly more impressive, according to Paul Pleau, a recognized expert in the field. He holds that it will not be possible, in the foreseeable future, to develop participation in the public sector into any system outside of collective bargaining. To have true participation, he believes it would be necessary to overcome a number of obstacles, such as ideological differences between management and unions, the multiplicity of unions, and the definition and acceptance of the social contract. Not only must these constraints be eliminated, but the parties would have to believe in the end to be pursued and in the existence of a community of interests.

How will the debate on participation end? I have come to agree

with Professor Gilles Laflamme of Laval's department of industrial relations who says that it is becoming increasingly clear that employers will not be able to maintain an inflexible stand with respect to management rights much longer, and that they will have to accept a widening of the scope of bargaining. He also maintains that, whether or not managers approve, workers want to have a voice in the personnel and economic policies of the company for which they work, since such policies directly affect their future working lives.

The unions are increasingly fearful of being integrated and assimilated into a system they reject

Laflamme believes that participation through collective bargaining and the adversary system is the only valid form of participation in a society where unions are increasingly fearful of being integrated and assimilated into a system they reject.

This form of participation is not a negation of worker action nor does it imply the rejection of strikes as the ultimate means of reaching satisfactory settlements; rather, it reflects a desire to defend the interests of workers. New concerns raised by industrial development will necessitate a review of bargaining structures. If an acceptable level of worker involvement is to be maintained as part of the bargaining process, however, the establishment or the company will have to remain the preferred centre of union activity. 

Pensions for Canadian workers

*In the following article, federal Labour Minister **John Munro** discusses the issue of private pensions.*

As part of Labour Canada's 14-point program to improve the work environment, officials of the Department are participating in an inter-departmental task force on pension coverage. One of their objectives is to improve government policies on pension rights and benefits so as to reduce the friction caused by this issue at the bargaining table, as well as reducing the anxiety which many Canadians experience in contemplating their retirement income.

Few social issues are more widely discussed and debated than pensions. During the past few years we have seen the introduction of the Canada and Quebec Pension Plans, the expansion of the old age security system and growth and improvement in private pensions. We have also introduced the Registered Retirement Savings Plan, as an alternative or a supplement to other pension arrangements.

We all want to see retired citizens living in security, dignity and comfort. What concerns us is whether the public and private pension systems as they now exist can do the job we expect of them — and at a price individual Canadians, employers, and governments can afford.

Before discussing pension plans from a federal perspective, perhaps I should remind you that as Minister of Labour I have no

ministerial responsibilities for either the public or the private pension systems. At the same time, pension issues have a direct bearing on the responsibilities of my department.

It is customary for pension professionals to refer to pensions as being part of the "income replacement system." Workers and trade unions are more down-to-earth. They regard pensions as deferred wages — wages which they are prepared to forego in the present for payment after retirement. While there has been considerable growth and development in private pension plans in the last two decades, approximately 42 per cent of all paid workers with full-time attachment to the labour force have no private pension plan coverage. This fact can only point to a source of considerable disparity in retirement incomes.

From 1970 to 1974, membership in private pension plans almost doubled to reach a level of 3.4 million persons. When comparisons are made between industries, however, there are great differences in coverage. The proportions of paid workers in pension plans range from about 1 per cent in agriculture and forestry and 6 per cent in trade to about 98 per cent in public administration at all three levels of government service. Public sector employees represent nearly 50 per cent of all Canadians with private pension plan coverage.

The greatest growth in membership has occurred in the construction industry where the

development of several multi-employer plans has increased coverage from 23 per cent to 44 per cent in the five-year period ending in 1974. As a result, the number of construction workers in private plans more than doubled in five years from 107,000 to 235,000.

There is also a great deal of disparity between the low-paid and those at higher income levels. Among those earning between \$3,000 and \$6,000 in 1974, less than one third were covered by private pension plans. But in the \$20,000 to \$25,000 income range, some 60 per cent of wage and salary earners were members of a private plan.

My department has been closely involved with pensions as an issue in collective bargaining — particularly with the railway pension plans. Some of our most difficult problems have occurred where labour and management disagreed over the cost of certain pension improvements.

As an example, during labour negotiations in the summer of 1973 there had been agreement between the unions and the companies over the actual pension improvements to be made but a dispute arose over the costs of some of them. Until this was settled there could be no agreement on the other money issues being discussed. Partly because of this disagreement over pension costs, the unions ordered selective railway strikes across the country.

To try to resolve the pension

dispute I appointed Dr. John Deutsch of Queen's University as a Commissioner of Inquiry to make an independent assessment of the costs of the pension improvements. His cost estimates were used in the final settlement and played an important part in bringing the round of bargaining to a solution.

Since then it has again been necessary to appoint a Commissioner of Inquiry to examine railway pension plans. For some time there has been a growing feeling among railway employees that the interests of pensioners were not being well represented in the collective bargaining process.

Strong pressure has been building for automatic cost-of-living adjustment to pensions. Some employees feel they should have more responsibility in the trusteeship and administration of their plans and there are still widespread misunderstandings about the funding practices and operations of the pension plans.

I realized that before the next round of negotiations we needed a full, independent examination of the railway pension plans that would set out the facts and clear up some of the misunderstandings.

In July 1974 I asked Dr. Noel Hall of the University of British Columbia to examine all aspects of the railway pension plans. During the course of the inquiry, regional hearings were held at 15 locations across Canada. Briefs were presented by unions, individuals and groups representing employees and pensioners. The main concern expressed in almost all the briefs was the erosion of pension benefits as the result of inflation.

The Commission of Inquiry is now completed and both the unions and the companies are studying Dr. Hall's findings. He has made several recommendations that would bring benefits under the two major railway pension plans more in line with each other.

Some of the most contentious issues deal with the cost of making post-retirement increases to pensions. The report suggests several alternative schemes for indexing and partial indexing. The most interesting one is what Dr. Hall calls a "Heritage Fund" in which the employer and employees would each contribute one half of one per cent of payroll to provide full cost-of-living adjustments to current pensioners and survivors.

The report also explores "delayed indexing" where the pensioner absorbs the first 25 or 30 per cent loss in purchasing power before any adjustment is made to his pension. After that point, the pension is fully indexed to future changes in the cost of living.

We are looking for ways of improving the industrial relations climate through increased co-operation between the parties.

In the past few years there has been quite a lot of interest in the idea of joint participation by labour and management in corporate decision making. In Canada, we probably will never see the adoption of European models of co-determination, but I personally am hopeful that we will soon work out mechanisms for joint participation in areas such as safety and health and the quality of working life.

Along these lines we are looking at the case for joint employer-employee trusteeship of private pension plans. If it brings about a

greater understanding between the parties, perhaps it should be promoted as a way of reducing confrontation over pension issues at the bargaining table. I would be grateful if you would send me the details of any experience in joint trusteeship.

Labour Canada has another involvement in programs somewhat similar to pensions. Some years ago the government developed a system of loans and other financial assistance to industries affected by tariff reductions agreed to under the "Kennedy Round" of multilateral tariff negotiations. Assistance is made available to the textile and clothing industry and the footwear and tanning industry and is designed to speed up modernization and adjustment of individual firms so as to improve their competitive position at home and abroad.

While most workers displaced by modernization can be assisted to new employment through existing manpower programs, we found special problems in the case of certain older workers, particularly those with obsolete skills and low educational levels.

To assist these older workers my department designed Adjustment Assistance Benefit Programs to guarantee a basic level of income from the time their unemployment insurance benefits expire until age 65, when social insurance and social security benefits start. These benefits are available only where layoffs are certified as being caused by the government's strategies for these industries.

The programs guarantee pre-retirement benefits to employees between 54 and 65 years of age at the date of layoff. A qualified employee must have had at least



"I hope he's a wineo. I can't afford the price of a cup of coffee."

10 years in the industry within the 15 years before the layoff and must be certified by the Department of Manpower and Immigration as having no reasonable prospect of employment or as having accepted employment at less than his former average weekly earnings.

The amount of the benefit is two thirds of former average weekly earnings up to maximum this year of \$147. Benefits are reduced by \$2 for every \$3 of earnings or pension income.

A fairly small proportion of these older laid-off employees have needed pre-retirement benefits. Since the beginning of the program almost six years ago about 400 persons have qualified for benefits.

Quite apart from the assistance the program has given to displaced older workers, the Adjustment Assistance Benefits Programs have reduced the fears of labour union and workers toward the restructuring of their industries and have helped obtain the support of the labour movement for policies directed toward freer trade.

You are probably aware of the major examination that is being made of the private and public pension systems under the initiative of my colleagues Donald Macdonald and Marc Lalonde. For the past year officials of my department have been participating and private consultants, professional associations and academics have given guidance and assistance to the study.

The objective is to examine the present system in detail to determine what policy changes should be made both in the regulation of private pensions and in the public system. The fact-finding part of the study is in its final stages.

Following this, I expect a period of public discussion where contributions from experts such as yourselves will be invaluable in the search for new directions in pension policies. It will be some time before we know what the balance will be between the public and private systems. There are, however, some general comments I would like to make on pension issues.

We all recognize that the private pension system is a vitally important source of investment capital. During the period 1971 to 1975, personal savings in private plans amounted to over \$13 billion. This was equivalent to almost 36 per cent of total net personal savings over the same period.

Savings in registered retirement savings plans amounted to another \$4.6 billion, representing another 12 per cent of net personal savings. There is no doubt that saving for retirement is one of the main reasons for personal savings.

Therefore, any change in Canadian pension policies which would affect the need for individuals to save for their retirement deserves careful attention for its possible effects on the overall savings rate within the economy. It is of the greatest importance to our future that we continue to encourage savings for housing, retirement and investment in industry.

The restructuring of world production and trade will continue to challenge the efficiency of Canadian industry and its ability to

meet changing conditions. Similarly, Canadian workers will be challenged to upgrade and widen their range of skills.

We must create a labour environment which facilitates mobility from one firm to another and even from one industry to another. This is going to place demands on the private pension system to become more flexible and responsive to the needs of a mobile labour force. We must make it possible for Canadians to accumulate pension credits throughout working lives that are typically spent with several employers. Ideally, our pension plans should in no way inhibit free movement from one employer to another.

This is one of the most difficult problems facing the private pension system and one of the primary determinants of the place that private pensions will have in providing for retirement in future.

It may be that we should give a more important place to pension plans of the defined contribution or "money purchase" type where, generally speaking, the accumulation of pension rights is

unaffected by movement from one employer to another.

An alternative would be a new type of permanent registered retirement account that would allow tax exempt contributions from the employer as well as from the individual, and could be supported by each employer throughout even the most varied working life.


But however it is done, some way must be found of improving the flexibility of private pensions in a mobile work force.

Private pensions are undergoing other stresses and strains, many of which are shared by the public pension schemes.

Inflation has had a tremendous impact on all pension plans. While retired workers have been faced with erosion in the value of their pensions, much of the deficiency has been made up by improvements in old age security, the guaranteed income supplement and the provincial supplements. However, many employers have felt a responsibility to make some post-retirement adjustments.

It is the cost of these adjustments and this new obligation thrown upon employers that have placed private pension plans in a new focus, and this is one of the issues being examined in the current study of our public and private systems.

I am confident that by working together we can find the proper balance between the public and private systems for the years ahead.

I believe that the retirement income system that covers our present labour force is doing a better job than most people realize. There are gaps and inadequacies in coverage, inflexibility in meeting some of our needs and other justifiable criticisms. But there is no question that most of these problems can be overcome and that private pensions will continue to play their important role in meeting the needs of retired Canadians. 

— John Munro
Minister, Labour Canada

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: November, December.

1976: March, April, May, June, July, September, October,

November, December.

1977: January, March, April, May, June, July, August.

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

Young people in their working environment — an International Labour Office report

by Roy LaBerge

An International Labour Office report says more and more countries are finding it hard to recruit young people into industry and even harder to keep them there. It blames parents and teachers for giving young people an unreal image of the working world; employers for caring more about production and profit than about the human beings who work for them; older workers for giving young people a harsh reception in the workplace, and even the entertainment industry for dangling before the eyes of young workers idols whose spectacular success is contrasted with the “meagre” satisfaction of their own dull, monotonous work lives.

The 37-page report, *Young people in their working environment*, denies that work has become any less arduous than in the past, contending that while some back-breaking tasks have been eliminated by technology, they have been replaced by nervous tensions arising from such factors as an excessive work pace, fragmentation of tasks, and shift work. It also complains that the leisure pursuits offered young workers provide only escapism instead of the “rest, relaxation, character building and intellectual adventure” they need. And it comments that it is even difficult for many young employees to eat properly at the workplace.

“Cold meals, a diet consisting mainly of sandwiches and the habitual use of automatic

machines to provide food should be banned or exceptional,” the document says. “It should be compulsory to provide a canteen or refectory, and undertakings should provide young workers with a well-balanced meal at a price they can afford.”

The publication of the ILO’s conditions of work and life branch says young people in both developed and developing countries show a “radical inability to adapt themselves to working life as it is today.” It finds them particularly alienated from manual work, and attributes this to technical, psychological and sociological causes.

“Successive restructuring with its attendant threats of labour cut-backs and technological changes entailing downgrading bring to industrial employment an element of insecurity which discourages young people from entering it,” the report notes.

“Compartmentalization” of industrial jobs makes work harder and less certain, and technological progress “does away with certain tasks and calls for aptitudes which lessen with age.”

As a result, the only prospects

It is hard to recruit young people into industry and harder to keep them there

technical progress can offer workers are “inevitable downgrading, unemployment, or, at best, premature retirement.”

At the same time, the rise in school-leaving age and education “makes many young people increasingly unwilling for psychological and sociological reasons” to do work that leaves no room for initiative or responsibility. Many jobs now available in industry are unsuited to the standards of education of most people entering the labour market: “Manual occupations often lack prestige, and the public image of work in industry has suffered from the decline in the status of the workers it employs.”

It also contends that employers, as a result of a preoccupation with efficiency and profit, have relegated human problems to the background: “All that goes to make up working life — the workers’ psychology, demands, ambitions and the actual conditions in which they work, are still very imperfectly understood by their employers.” This ignorance prevails despite the fact that “work is the primary activity and principal source of wealth in industrialized societies and societies in the course of industrialization....As a result, after at least 30 years of attempts in some countries to fit working conditions to the worker, it is still for the individual to bow to the dictates of production and his job, whatever his age and ability.”

"The new tension-inducing job pressures appeared gradually with advances in technology. Most workers managed to get used to them in time, but they are particularly hard on today's school leaver who is unprepared for them," the ILO authors say.

For today's school leaver expects more from work than his forebears did: "He has a livelier sense of self-respect and of his own responsibility and commitment, but his work, although in appearance easier, is increasingly tyrannical,

Their rejection of manual work shows up in apathy and passiveness rather than social agitation

hierarchical, impersonal and inhuman, as increased fragmentation and monotonous and automatic operations leave less and less room for autonomy."

As young workers become aware of these realities of the workplace, they tend to refuse either training or supervisory posts: "This refusal of self-commitment goes hand in hand with the refusal to assume responsibility or take action leading to any deep involvement in an occupation which is not followed gladly." This refusal to commit themselves also shows up in "indifference and even occasional hostility to trade union representatives in industrial disputes."

Young workers "rejection reactions" to manual work in industry will lead to rebellion, "usually in the insidious form of apathy and passiveness rather than social agitation; to instability, absenteeism and low productivity." Industrial sabotage by young workers is increasing in industrial complexes, but most of

Their leisure pursuits offer only escapism instead of rests, relaxation, character building or intellectual adventure


it, the authors contend, "has nothing to do with politics but is only a means — sometimes an unconscious one — of expressing discontent."

The report goes beyond description and criticism of the status quo to recommendations for improved integration. One is that the transitional period between school and work be made easier. Young people should get a better welcome, and management should accept the fact that newcomers will make some mistakes.

And priority should be given to making work less arduous, and organizing it so as to allow workers more independence. Dirty,

unpleasant or monotonous work should not be kept mainly for young people, as the ILO study says is now the pattern.

Some of the report's other observations:

- It would be a mistake to think this is only a passing crisis and that young workers, "once they have been duly indoctrinated" would "knuckle under to economic necessity" and take a greater interest in their work.
- Young workers are hampered by the "unrealistic" advice of their family and educators "who would think they were failing in their duty if they did not give them an idealized picture of working routine and training....The gap between bleak reality and the hopes raised in them by their training instructors, their family and their educators leads to disappointment, rebellion and rejection." 



" I DON'T KNOW WHO HE IS, BUT I WISH I HAD TEN MORE JUST LIKE HIM "

CLRB decisions raise spectre of bank strikes

by Kenneth McDonald

Recent decisions by the Canada Labour Relations Board about the certification of unions at bank branches were acclaimed by union leaders.

According to one report, "at least a dozen major unions affiliated with the CLC (Canadian Labour Congress) expressed interest in organizing bank workers."

Perusal of the findings prompts some commiseration with board members in their task, but a good deal more with the customers whose voices were not heard.

They will be the ones who will suffer. Mail strikes have put thousands of merchants out of business. When the mail is shut down it is the stoppage of funds that causes the failures. A bank strike would have at least as serious an effect. Following a mail strike it could be disastrous.

Nor is there any comfort in the board's confident assertion that "a cessation of work at one location would not prevent the bank at its many other locations from continuing to operate."

What is done with the mails can be done also with the banks.

The theme is drawn from the express intention of Parliament, quoted in Part V of the Canada Labour Code, to encourage "free collective bargaining."

The phrase, which may have rung true when it was coined, has a very flat sound today.

Kenneth McDonald is a Toronto writer.

In another echo from the past, one of the unions aims "to foster and support legislation in the interests of the working class."

The findings reflect the Government's obsession, as expressed by Labour Minister John Munro, that the union movement should "fill the more active role that it should have in the functioning of our society."

Thus the board: "...unions grow and evolve with jurisdiction over employees in an industry. This is in the interest of employees and unions generally. New unionized sectors or industries often foster the creation of unions to care for their needs. Public sector and white-collar employee unions are recent examples."

They are indeed.

While the growth rate of public sector employment is declining, the growth rate of union membership within the public sector is increasing.

Only two years ago union membership in the public sector was put at 70 per cent. This year, the Canadian Union of Public Employees' research director claimed that union membership is over 90 per cent (compared with only 25 per cent in the private sector).

In passing we may notice another

example of official solicitude toward unions. Opposing a bank argument in favour of the union organizing on a national basis, the board wrote:

"To organize on a national basis a union would have to start to solicit members in one area and then move outward to other areas. (It) would be on a constant treadmill of soliciting new employees and, at the same time, maintaining the support of members while expanding to new areas."

In other words, unions must be protected from the natural hazards that attend every voluntary organization in Canada. The stimulus of compulsion must be added.

Section 161 of the Canada Labour Code permits the inclusion in a collective agreement of a provision: "(a) Requiring, as a condition of employment, membership in a specified trade union; or (b) granting a preference of employment to members of a specified trade union."

Section 185 limits union powers of expulsion but only where an employee "has been expelled or suspended...for a reason other than a failure to pay the periodic dues, assessments and initiation fees."

In short, non-payment of dues is a legitimate reason for expulsion and hence loss of employment. Any resemblance to other voluntary organizations ends right there.

To return to the board's objection

to bargaining on a national basis, it is clearly true that "only an organization or movement with the enormous financial resources to operate nationwide...could make the rights of the code meaningful for the (bank) employees."

Just as clearly, neither the embryo Canadian Union of Bank Employees nor the Service, Office and Retail Workers Union of Canada is such an organization.

But the Canadian Union of Public Employees is. It is the largest union in Canada, and with more than 90 per cent of the public sector unionized, it has little room for expansion. It must seek fresh fields.

Where more natural than among administrative and clerical workers in the private sector?

Moreover, its locals extend at least as widely as bank branches.

As we are only too well aware, there is scarcely a hamlet in Canada that does not have a government presence of some sort. Where that presence exists, so will one or another of the public service unions.

In 1975 there were 2,660 union locals spread across Canada in federal, provincial and local administration.

That total is less than half the number of bank branches but the total membership (433,500) is more than three times the number of bank employees.

It might be supposed that the growing use of electronic funds transfer and of automated teller services would compensate for the withholding of human services.

On the contrary, CUPE has already anticipated the impact of tech-

nological advance upon the strike weapon. In a recent article (*Labour Gazette*, March, 1977) CUPE's research director made the point. "Changes in technology are making public service strikes less effective. Public sector unions will find it necessary to turn the screws a little tighter, to stay out on strike a little longer, and to find new techniques if the strike weapon is to remain as effective as it was in the past."

No doubt these techniques will be developed in the public sector. But they will then be available for use elsewhere.

No doubt, also, banks and other businesses should consider the adoption of profit-sharing, employee share ownership and wider employee participation in the functioning of the workplace as the modern alternatives to unionism.

But the issue is more complex. Central to it is a prevailing union belief that profits in general have been rising at the expense of wages. From that belief follows the assumption that companies can "afford" to pay higher wages — all that is needed to extract them is the pressure of collective bargaining."

In a recent article written for *The Globe and Mail*, CLC vice-president Shirley Carr made the point:

"The question must be asked, what happens to the money which a trade union voluntarily or through compulsion forgoes at the bargaining table. The money goes to the company in the form of greater profits and to shareholders in larger dividends."

That this has not, in fact, happened has been demonstrated by Montreal economist Peter Detmold:

"Between 1969 and 1975, average weekly wages in commercial industry grew at a rate of about 2.7 per cent per annum in real terms. These contrast sharply with increases in real wages in the public sector, some of which have grown at about 4.5 per cent over the period.

"In 1965 industry retained 53.4 per cent of the value of production, the remaining 46.6 per cent being available for society as a whole through the various taxation processes. But by 1974 (the last complete year before wage and price controls were implemented) the figures had almost exactly reversed, industry retaining 46 per cent of the value of production and giving up 54 per cent. Profit per worker employed declined by about one per cent a year."

It is that transfer of revenue from private to public sector that has guided the sequence of events. First, the growth of the public service; second, the information and expansion of public service unions; third, the use by public service unions of monopoly power to force wage gains ahead of the private sector; fourth, the impulse, in public service unions, toward an extension of their power and membership into the private sector.

The spilling over of public sector unions into the private sector is entirely consistent with the Government's intention to strengthen the union movement as a whole on the British model. It is also consistent with government's unchecked intrusion into the private sector.

Governments are elected by those who support their policies. As the proportion of public employees increases so does it pay the public employer to indulge them. [g]

Reprinted from The Globe and Mail.

New challenges in industrial relations

by Lynn Williams

If we are to grapple effectively with the myriad of economic problems facing Canada, the first requirement is the immediate restitution of full collective bargaining rights. But more than that is needed — not simply a restitution of what has been taken away by the Anti-Inflation Program — but a new understanding and affirmation of the fundamental need for collective bargaining. We need an entirely new official and public recognition of the value of collective bargaining as a sensitive instrument in the resolution of social conflict. We must quit thinking about collective bargaining and its principal agent, the labour movement, as some kind of threat to our society, to be avoided or destroyed if possible and certainly to be controlled if neither of the other options can be achieved. We must instead think of acceptance and appreciation of the process, and of an end to the warfare against the labour movement.

Collective bargaining rights are an essential element in any conception of economic democracy. Any other method of compensation determination, no matter how carefully or generously conceived, is by its very nature authoritarian, not democratic. Whether the basic decisions are made by government, as in most cases at present, or by the employer alone, in the absence of collective bargaining there is no element of effective, democratic participation by those most directly affected by the decisions which are being made.

We are ridiculously backward in

Lynn Williams is a former director of District 6 of the United Steelworkers of America, which covers Ontario. He prepared this article before his recent election as the union's international secretary.

this regard in Canada. We continue to fight recognition battles in far too many places as if the last generation of change in industrial relations had never occurred.

I'm not suggesting that the adversary system is at fault or should be eliminated. I'm very much in favour of the adversary system. It is a time-honoured method of problem-solving, a method that depends on the vigorous presentation of interested points of view in the search for justice, or for common ground. There is nothing in its nature that requires pitched battles! In fact its historical beginnings are in man's search for the resolution of conflict without resort to physical strife.

Collective bargaining, in those situations in which it has achieved its struggle for recognition and acceptance, has served the Canadian community well. In the industrial towns of Ontario, for example, the record is one of considerable success. In general terms these communities are more prosperous than they have ever been, their industries are efficient, their

We need a new, official and public recognition of the value of collective bargaining in resolving social conflict

working people have achieved much higher levels of income and security than existed anywhere in pre-union times. In the union towns of Ontario working people are living much fuller lives, participating with energy, talent and responsibility in every aspect of life in their communities.

Collective bargaining has solved innumerable problems, large and small, frequently with an imaginative intelligence that can come only as a result of the applied effort of a number of caring and concerned human beings on both sides of a bargaining table. Thousands of injustices have been corrected, and thousands of problems in the work and community environment have at least been pushed or pulled in the direction of a solution.

All of this has been done with very little open conflict, certainly in relation to all the problem-solving that has been accomplished. And many of the crises of open conflict, or nearly-open conflict, were able to produce solutions, imaginative solutions, intelligent compromises, that had otherwise seemed impossible, and might well have remained impossible.

It is not my intention to suggest or imply that we are not faced with some very serious economic difficulties. We are. The era of economic growth based on cheap energy sources is gone. It may be that it will return again but present prospects would not suggest that that is likely. Similarly, in general terms, the era of all cheap natural resources is gone. And functioning

in a new and profoundly more effective way in relation to these changes in economic realities — as both cause and effect — is the developing world, or at least those parts of it with the resources that the developed world needs. The inevitable result is a much more effective affirmation by the Third World of its demands for equity and economic development.

What this means for all of us privileged to be in the more developed parts of the world, is that many of the difficulties in our own society, which unlimited and relatively easy growth have enabled us to paper over, must now be faced. We must find a positive response to the demands for equity and opportunity in our own society. We must find the answers to poverty, unemployment and alienation.

Central to these questions is the question of income sharing: who is to get what? If the pie can grow easily and forever, then today's injustices can always be looked after tomorrow. But that situation is coming to a rapid end, and we can procrastinate no longer.

One of the claims made for the Anti-Inflation program is that it makes us aware of some limits, but one of its most terrible implications for working people, who have had to struggle for justice and equity since the beginning of the industrial revolution, is that it does not simply freeze existing income inequities, it worsens them. We must grapple with these inequities if we are to be an effective national centre in the world economy. This will require many changes, a new openness about incomes, a new concern about floors and ceilings, a new attitude to participation and involvement in the decision-making processes in our society, and a new recognition and affirma-

Legislative changes are needed to permit and encourage broader bargaining units

tion of collective bargaining. Instead too many of the power brokers put their faith in elitism, in the power of an autocratic few. Such a Disneyland fantasy won't do for most Canadians...they are here in the real world and it's here that the answers must be found.

The focus I propose, therefore, is that we permit, encourage, in fact require that free collective bargaining become our instrument for income sharing. To this end, our concern should be not to destroy it, but to assist it in every useful and progressive way we can devise.

First and foremost, let us affirm the existence of trade unionism and collective bargaining, as the way in which employer-employee relations are determined in our society; let us make legislative changes that give effect to such a point of view, that provide simple, direct access to trade unionism for all employees and make interference with such access an anachronism.

We also need legislative changes which permit and encourage broader bargaining units, a proposal which many make but about which not much has been done. Another frequent proposal is for the availability of more adequate, factual research for those involved in collective bargaining. This proposal becomes more practical and more meaningful where broader bargaining units are involved, so that research that relates to an industry, and its related communities, and its place in our economic situation can be viewed in broad enough terms.

Beginnings are being made, but more needs to be done, to provide educational and training opportunities for the practitioners of collective bargaining.

Another development which must be a part of the future is a dramatically increased openness about incomes as a necessary backdrop for bargaining. The information about what Ontario doctors earn, for example, although made available to the public in an unfortunate manner, is part of a healthy development. It is not at all unreasonable in a tighter and more difficult economic situation that income information about every element of society should be available to others. People whose incomes are determined by collective bargaining are accustomed to this.

Economic initiative is not in the hands of the labour movement, but under the control of the private sector and of government.

Another challenge, or set of challenges, that collective bargaining must recognize and to which it must respond, are those involved in establishing a new concept of dignity on the job. The idea is not new except in terms of its priority and visibility among the issues of today. The challenge is to change lingering workplace concepts of master-servant into creative relationships among responsible participants.

Such ideas suggest that it's impossible to consider any working environment that puts human beings at the risk of their health and their lives; that new levels of employment security must be developed; that we must provide a system of justice in the

workplace that recognizes innocence until guilt is established, and that does not deny justice by delaying it; that we must provide opportunities for a fresh look at the organization of work itself, the presumption being that most of us want to contribute in some useful and satisfying way, and need some control over and involvement in the structure of our work; that a working life must be viewed as much more than a wage-earning opportunity but as an opportunity to contribute and to learn.

These ideas and proposals, though far-reaching, would have a dramatic effect on the morale of our society. They would do much to give our working people that assurance of honest, dignified and equitable involvement which is essential if our democracy is to achieve the energy and cohesion necessary to meet the challenges which lie ahead.

There remains a need, however, if labour is to have some basic responsibility for the direction and development of our society, for a means of providing labour involvement in the determination of social and economic policy. To speak of responsibility without involvement is to speak of authoritarianism, paternalistic or otherwise, not of democracy.

For these reasons, the Canadian Labour Congress proposed that a new instrument or instruments be added to our structure in Canada, instruments which we identified under the umbrella term of tripartism.

At the heart of our proposal is the establishment of a tripartite Social

and Economic Council. Its purpose would be to provide the possibility of developing a consensus about economic goals and objectives, of developing some kind of effective economic planning in which all sectors of the economy would be involved and to which all could make a contribution and commitment. It could attempt to integrate our social concerns with our economic goals so that they could be pursued together, not in apparent and false conflict as now seems so often to be the case.

Beyond collective bargaining, there is a need for a means of providing labour involvement in determining economic and social policy

In the Congress' proposal, specific attention was also given to labour market problems. In terms of basic economic strength and growth what can be more important than the training, education and employment of our labour force to the best possible advantage. We have many miles to travel in Canada before that is achieved. We felt in the Congress that this was a particular area in which a tripartite approach could make an effective, positive contribution.


It is, however, my sad and reluctant observation that at this moment at least our tripartite proposal seems far too advanced for others to accept. I have pondered why, and have concluded that it is seen as too threatening, that our established government and industrial leaders are much more content to be lecturing labour about responsi-

Legislative changes are needed to provide direct access to trade unionism for all employees

bility and restraint than they are to share any real power or responsibility. Obviously our proposal threatens the total autonomy of private sector decision making. I believe it needs to be challenged. It has obviously been inadequate for our troubled times.

The tripartite proposal has also been seen to threaten Parliament itself. This was never our intention; we recognize that parliament should reign supreme. But we do believe that new instruments are needed to develop and initiate economic and social policies and programs only, of course, with the ultimate sanction of Parliament itself.

And there, as we say in collective bargaining, is our package...a restoration of collective bargaining rights combined with a much more positive affirmation of its value and much more attention given to its support...a willingness to use collective bargaining as the instrument for dealing with the modern issues of participation and dignity as well as for resolving the ever more important issues of compensation and benefits...and an acceptance of labour's right to be involved in a real way in the determination of social and economic policy.

It's a package of both old and new. It's a package that I believe would work to the benefit of all Canadians. 

Labour legislation in Canada, 1976

Part 6: Apprenticeship and tradesmen's qualifications

by Cal McKerral

A significant development in the field of apprenticeship and tradesmen's qualifications during 1976 was the passage of Alberta's new Manpower Development Act.

The Act consists of five parts.

Part One assigns to the Minister of Advanced Education and Manpower the responsibility for, and duty to, provide manpower programs and services, as well as responsibility for programs and services relating to immigration to Alberta.

The Minister is also empowered to make agreements with the governments of Canada, the provinces, territories, or municipal corporation, agency, organization or other person, relating to demographic matters and to immigration programs and services.

Part Two of the Act deals with administration.

A Director of Apprenticeship and Trade Certification is provided for, as is a board called the Alberta Apprenticeship and Trade Certification Board.

The Board consists of a chairman, at least three members representing employers, at least three representing employees, and an alternate for each of these groups. Additional representatives of the

Cal McKerral is a legislation analyst with Labour Canada.

general public are also provided for.

It is the duty of the Board to advise the Minister on all matters affecting the general conditions governing trade training and certification of workers in designated trades.

The Board may appoint a Local Advisory Committee for any designated trade in any area of Alberta where activity in that trade is substantial. These boards would consist of a chairman, plus one employee representative and one employer representative.

The Board must appoint a Provincial Advisory Committee for each designated trade. A committee consists of the Director, who acts as chairman, the Local Advisory Committee members for that trade, and additional members appointed by the Board on the recommendation of the Director.

A Provincial Advisory Committee exists to make recommendations to the Board with respect to any matters pertaining to apprenticeship or other trade training, trade regulations, programs of training,

certification requirements. It must also develop and approve policies of accreditation where training programs in other training programs can be shown to meet the skill and knowledge requirements of a specific apprenticeship program.

The Director or his representative are empowered to enter any place at any reasonable time for the purpose of performing any duty assigned under the authority of Part Two. An employer may be required to disclose payroll records, job classifications, the kind of work or qualifications of any of his employees who are or may be working in a designated trade.

The Board also hears appeals from any person affected by a decision or order of the Director. The time limit for appeal is 30 days from the time the order was made.

Part Three of the Act deals with training and certification of workers engaged in trades.

The Lieutenant-Governor-in-Council is empowered to designate trades to which the Act applies. A petition need not be received, although specific rules of procedure to be followed in the case where a petition is received, are included in the Act.

To be engaged in a designated trade a person must be a journeyman, an apprentice (or have applied for apprenticeship status), or hold a special authorization from the Director.

Every apprenticeship contract must follow a specified form, and be signed by the apprentice, the employer and the Director.

The Director may allow credits to an employee for previous training and experience. The Director may also terminate an apprenticeship contract (i.e., for contravention of the Act or regulations, breach of contract, voluntary agreement between apprentice and employer, or upon recommendation of the Local Advisory Committee. The Director may also arrange for transfer of the contract to another employer.

Trades can be "voluntarily certified". That is, whether by petition and investigation or not, the Minister may designate trades, and the Director, upon the advice or recommendation of the Local Advisory Committee, may issue certificates to persons judged, at that time, through experience and general competence, to be skilled in a trade.

"Compulsory certification" is also provided for. That is, the Lieutenant-Governor-in-Council may, whether by petition and investigation or not, designate trades.

When this type of designation is made, those working in that trade must, within one year after the designation comes into force, apply to the Director for a Certificate of Proficiency. A certificate may be issued after examinations are held, but may be issued without examination if certain criteria (i.e., person holds certificate of Completion of

Apprenticeship, holds Certificate of Qualification, satisfies Director and Local Advisory Committee or examination committee that he is competent and has been employed in the trade for a specified time) are fulfilled.

The Director is empowered to cancel or suspend any Certificate of Proficiency where he is satisfied that the holder has contravened the Act or regulations or for any other cause he considers sufficient.

Penalties for contravention of Part Three of the Act are a maximum of \$1,000 for a first offence, and a maximum of \$2,000 for a second offence.

Part Four of the Act provides for a

Manpower Advisory Council (six members representing the general public interest, a chairman, and any other members recommended by the Minister to serve ex officio).

The Council's purpose is to review goals and needs of manpower and manpower development, and advise and make policy recommendations to the Minister.

The Manpower Development Act amends the Licencing of Trades and Businesses Act, and repeals the Apprenticeship Act, the Tradesmen's Qualification Act, and the Welding Act. Any reference to these last three Acts in statute or regulation or any other instrument is now deemed to be a reference to the Manpower Development Act. **19**

Universal Press Syndicate



"If you don't learn a trade, how are you going to know what kind of work you're out of?"

comment

Problems can be opportunities

A commentary in the May issue of *The Labour Gazette* suggests that the lack of job opportunities for college graduates may bring about, as in India and Mexico, "the presence of a drifting, aimless, under-employed intelligentsia."

This creates an image reminiscent of the Dirty Thirties when, in a larger dimension, there existed a real mass of drifting, aimless, under-employed people. There are many obvious differences between the masses, then and now, and little is to be gained from such a comparison. However, an examination of the less obvious differences could be helpful.

Expressed in today's idiom, the Thirties Man made it known that "I'm looking for BREAD, man!"

In those words, literally true at that time, he was saying that what he needed, primarily, was a job, ANY job, that would feed and clothe him. Among the "intelligentsia" of those days there was the electrical engineer who, on graduation, took a job driving a local transit bus. This did not destroy him: today he is a very successful executive, having returned to his profession when times got better. Others of his graduation year "rode the rails" and ALL OF THEM learned a lesson which, unfortunately, is not taught in schools; it is the jungle lesson that every man's responsibility is to take care of himself, no matter how the environment about him may change.

We tend to forget that lesson today. We are all too sympathetic

to the complainant who says: "Here I've spent four (or five) expensive years in university learning how to be a history teacher (or a social worker, or a psychologist) and now there are no vacancies of that kind." And it is quite unpopular to say: "It won't last, man. In the meantime, you can feed yourself by taking one of those minimum-wage jobs that are going begging down at the Man-power Centre."

Life has its accidents and blessings of fortune. None of us has a God-given right to be served up with only platefuls of blessings. A man really isn't a man until he has proven, as has been necessary ever since he came down out of the trees, that only he can ensure his own survival. It sounds trite, until it becomes a reality. Regardless of what other impressions one may have of the "aimless, under-employed masses of India and Mexico," one can be sure that, lacking the social financial props of the richer nations, these people have learned or relearned the lessons of survival.

It is bad enough, today, to find on graduation that one cannot proceed directly into starting a career, particularly a career of one's choice. But problems CAN be opportunities. There is encouragement in the results of a survey that anyone can make at any time. The survey consists of posing a question to a sample group of people whose qualification to be surveyed is that, at mid-age, they have been successful and thoroughly enjoy the work of their success. The question to be put to

them is: "DID YOU PLAN YOUR CAREER, EXACTLY AS IT HAS DEVELOPED, OR DID YOU BACK INTO IT, HARDLY KNOWING OR INTENDING AT THE TIME THAT YOU WOULD STAY WITH IT?" Answers are more impressive if we find them ourselves. However, the results of this survey can point to the encouraging fact that an imposed change of career path can still have a rainbow at its end (with a real pot of gold).

We need to be consistent, too, in our concepts and reasonings. The young careerist gets a warm feeling when he is told "the structure of the world of work today means that, unlike your predecessor of thirty years ago, you can look forward to the fulfillment of two or even three successful careers." Paradoxically, he turns cold at the realization that he has to make a change BEFORE he even makes a start on the first of these paths. If he is so unadaptable at the outset, how fixed in his ways would he be after 20 years along his first career path?

It may appear unsympathetic to say there's bread to be had from digging ditches or that there's lots of bread up there on the frontier jobs, at the price of three years away from soft living. Today's generation has simply suffered the accident of being born at a less-than-opportune time. This is not unique. The generation twice removed suffered the double casualty of a long depression and a five-year war.

It survived and prospered.

J.R. Nadeau

Associate Editor, Canadian Personnel and Industrial Relations Journal

Give workers responsibility and challenge

The modern production system has led to a loss of meaningful, rewarding and socially stimulating work. The worker has by and large been reduced to a factor of production. This point has been belaboured by many observers and experts, and need not be elaborated here. What troubles us is that the present upsurge of concern and the suggestions for change are generally accompanied by the assurance that "humanizing" the workplace will at the same time enhance productivity. This may be the case in certain instances, but we should be prepared to suffer a setback in productivity if that is needed to make the workplace an environment in which people can thrive as responsible persons again. We may be required to sacrifice

productivity in order to bring about the changes that are needed to restore workers to a place of responsibility in their work. It will be very difficult to bring about real and meaningful changes in the workplace unless we are prepared to challenge prevailing beliefs about the purpose of work and the role of the corporation.

The foregoing is all the more imperative in view of the present trend toward more capital and energy-intensive, labour-saving and technologically-complex investment. This policy involves the irresponsible use of scarce resources and contributes to the structural distortions of severe unemployment and inflation.

The corporation is generally

viewed as a technical, legal entity in which the suppliers of capital possess all the rights of management. But it is first of all a structure in which human beings form a *work community*. To be sure, division of tasks and variety in authority and responsibility must be respected. Management needs room and authority to manage. At the same time, all persons involved in an enterprise should be seen as fully human persons who in their own work must be able to realize something of the responsibility and the challenge that has been accorded to every human being by our Creator.

Christian Labour Association of Canada

From a submission to Labour Minister John Munro.

A proposal for retaining workers during cyclical downturns

Workers often assume that improved work means fewer jobs, thus provoking fears that inhibit their interest in improving organization effectiveness and productivity. Their common sense and experience already have told them that increases in productivity often lead to loss of jobs and that economic fluctuations can lead to layoffs — regardless of productivity. So their assumption persists despite union and management declarations that more effective organizations do better in a competitive market and are less likely to relocate or to close down, thus enhancing rather than diminishing job security. The fear of job loss also frequently stimulates workers to stretch or spread their

work, thereby reducing productivity and intensifying problem situations.

A formal system of job maintenance for retaining workers during a period of cyclical downturn would provide a major step toward eradicating such fears. Under the system recommended here, an organization can develop the capacity for involving workers at all levels in solving problems of the organization. During periods of reduced production, the time allocated to productive problem solving and training activity would be expanded. For example, if market conditions necessitated production cutbacks that ordinarily would result in a 10 per cent lay-

off, all workers could be retained under the proposed system, with 10 per cent of their time assigned to problem solving.

A state and/or federal system of job-maintenance support could replace much of our current unemployment compensation insurance costs. Instead of going into non-productive unemployment expenditures, the funding could be applied toward supplementing outlays of a company undertaking a job-maintenance program.

Sidney B. Rubinstein,

*President,
Participative Systems Inc.,
Princeton, New Jersey*

Labour took the lead

Back in the "Dirty Thirties", the Canadian Association for Adult Education marched to the slogan "Now and then forget your bleeding heart and use your bloody head."

"Bleeding heart" had a somewhat different connotation in those days of the Great Depression. The slogan was straightforward enough to be understood by all who heard it. "Don't just sit there moaning about the lack of food, decent shelter and your starving kids. Get off your butt and go out and learn a new skill. Don't stand on street corners bemoaning your hard lot with your fellow jobless. Join a study group. Get a hook and line and catch a fish. The sea is full of them. Stop bleeding and use your

bloody head. Remember what Dr. Jimmy Tompkins said: 'When a man gets up on his hind legs, no one can walk on him'."

So many of the unemployed and the one-shift-a-week workers did just that. They got out and learned new skills; they built credit unions, set up cooperative stores; some of them even built homes for themselves, the co-op way. They were given the ideas and they put them to work.

And so much of the time, then and since, labour leaders and labour unions were in the vanguard of adult education, giving freely and willingly of their time, leisure and money to assist their fellows toward the good life.

That is why the news was so welcome of the signing of a "no strings attached" agreement by CLC President Joe Morris and Labour Minister John Munro, that brings \$2-million annually for the next five years to the Congress for the operation of a National Labour Studies Centre and five regional centres.

It is a substantial recognition of the part labour has played in adult education and will provide a solid basis for the further education of present and future labour leaders.

Editorial

Canadian Railwayman

Freedom of information and tripartism

Freedom of information is an essential requisite of a truly democratic society, for the people must know the reasons for government decisions and have access to the information on which those reasons are based. The provision of information by any government department can only improve relations between the public servant and the public, whether in private industry or in the union movement.

In recent years, organized labour has been lobbying for a tripartite system whereby economic decisions would be made in consultation between business, government and labour. What this essentially requires is a greater flow of information and decision

making among the parties. From the point of view of freedom of information, what matters is not whether you believe in a tripartite system but in the basic tenet that there must be a sharing of information in any democracy.

Mankind's progress has always been marked by the emergence of new ideas. If one group has a monopoly of information, this means that vital information is not available to many researchers and thinkers that could result in some form of progress. This is not stretching a point, for under our current system the government has to release only what it chooses to release. For example, if the federal government had released the documents and

research data that led to its initiating wage and price controls, then perhaps labour and business could have contributed their thoughts and experience on the matter, and, who knows, might have agreed. Instead, there ensued bitter words and recriminations on all sides.

Those advocating Freedom of Information laws in Canada are simply saying that increased flows of information between those who govern and the governed can lead only to a more informed citizenry which can only contribute to the health of the democratic process.

Tom Riley

Ottawa

Research Notes

Collective bargaining

"B.C. Bargaining and Earnings Since the A.I.B." by Jerry Meadows. *Labour Research Bulletin*, July 1977. (B.C. Ministry of Labour).

The focus of this article is on how employees in British Columbia have fared during the first 18 months of the controls program compared with the period before it. Four main areas are looked at: (1) wage settlements negotiated between unions and employers; (2) average weekly earnings; (3) the Vancouver consumer price index; and (4) the unemployment rate in the province. A fifth section deals with the length of collective agreements that have been negotiated.

Inflation

The Wage Determination Process in Canadian Manufacturing Industries, 1962-1975, by D.A. Wilton. Labour Canada, Economic Analysis Directorate, 1977.

Using a sample of 1,190 individual wage settlements in Canadian manufacturing industries for the period 1962-1975, the author re-examines the relationship of negotiated wage changes to demand and supply conditions in the labour market (commonly known as the "Phillips curve" or the inflation and employment trade-off curve).

Although the author finds that the Phillips curve has existed in Canada during the last decade, he concludes that this curve is rather discouraging for policy-makers who attempt to manage the eco-

nomy through monetary and fiscal policies. While expansionary monetary and fiscal policies may have only minor immediate inflation costs and perhaps substantial employment effects, the long-run consequences are non-trivial. Any attempt to hold the unemployment rate below the "natural" rate (about 7½-8 per cent in the manufacturing sector) will only lead to accelerating inflation. Thus policies which reduce unemployment below its natural rate must be countered by a subsequent dose of restrictive demand management policies which create unemployment in excess of the natural rate.

Labour costs

"How Labor Costs Swung with the Cycle." *Monthly Economic Letter*, Citibank, August 1977.

The results of Citibank's annual unit labor cost survey, based on data from the U.S. Bureau of Labor Statistics, show that the total rise in U.S. labour costs per unit of output over the 1970-76 period was only 35 per cent, a fraction of the increase in other countries. Among 10 other countries surveyed, Canada (61 per cent) Britain (70 per cent) and Italy (79 per cent) were the runners-up. The data relate to manufacturing industry and are based on U.S. dollar equivalents.

Labour studies

"Academic Degrees for Labor Studies — a new goal for unions," by Lois R. Gray. *Monthly Labor Review*, June 1977.

Labour studies, a specialized program catering to incumbent or aspiring union officers, have registered a phenomenal growth since 1968. According to the latest available information, 47 U.S. colleges and universities offer a major or concentration in labour studies. In addition, a growing number of technical and liberal arts degree programs are planned in co-operation with unions and aimed at part-time worker students.

Although no single pattern has emerged, most programs have the following in common: (1) adult union members as a target student



body; (2) the active role of labour unions as sponsors or advisors; (3) a mix of labour-related subjects with liberal arts offerings; and (4) a policy of "open admissions."

The key question with respect to labour studies degree programs is whether they will survive. Danger signals include high student drop-out rates, critical reaction from many labour educators, both in unions and universities, and pressure from academic institutions to combine or drop new programs in a fiscal crunch.

Older workers

"Effects of Age and Experience on Productivity," by Donald P. Schwab and Herbert G. Heneman III. *Industrial Gerontology*, Spring 1977.

Studies on the relationship between age and productivity consistently indicate that older workers tend to be as productive as their younger counterparts or only slightly less so. One possible explanation for this is that older workers may be able to offset productivity declines that could occur as a function of increasing age by capitalizing on the improved skills and knowledge associated with increased experience.

The importance of such a possibility has differential implications for retaining versus hiring older workers. If the satisfactory productivity of older workers were dependent on their experience, organizations would be motivated to *retain* existing older workers, since they already benefit from the added experience, but they would not be motivated to *hire* older applicants.

From an examination of the rela-

tionship between age, experience, and productivity in a sample of semi-skilled operatives it was found that older workers were as productive as younger ones even after controlling for the former's greater experience. Implications for employment practices and future research are discussed.

Part-time workers

Part-Time Work in Ontario: 1966 to 1976, by Gord Robertson. Ontario Ministry of Labour, Employment Information Series No. 20, August 1977.

Over the period 1966 to 1976, with the exception of the years 1971 to 1973, the number of part-time workers in Ontario (defined as persons who usually work less than 35 hours a week) grew at a faster rate than the number in full-time employment. Well over half of the growth in part-time employment between 1966 and 1973 was accounted for by single persons under 25 years of age. Occupational distributions indicate that the largest percentage increases were in clerical and sales occupations. As might be expected, the average straight-time hourly earnings of part-time employees tend to be lower than for full-time employees.

Based on data for 1974 and 1975, it is evident that there are significant seasonal variations in part-time employment. The level of part-time employment tends to peak in the spring and toward the end of the year and reaches its lowest levels in the summer months. This seasonal variation is at least partly explained by the fact that over two fifths of part-time workers cited "going to school" as their reason for working part-time.

Younger workers

"Youth Employment and Unemployment." *OECD Observer*, July 1977.

Nearly 6 million young people under the age of 25 were at last count listed as unemployed in the seven largest OECD countries (including Canada) and young people account for about 42 per cent of all recorded unemployment, the average incidence being about three times as great as among the 25-64 age group. Causes include a deficit of new jobs, growing competition for jobs, inadequate preparation for working life, and the preference of many firms for older workers. Consequences include an undermining of the foundations of "human capital," a deteriorating social integration of young people, and a detrimental feedback to school-children. The article outlines a number of measures that might be taken to improve the employment situation of younger workers.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

A Directory of Presidents of Canadian National Unions

1911-1972 by Professors Gary Chaison and Joe Rose of the School of Administration, University of New Brunswick, has been prepared, and may be purchased for \$1.50. (Cheques payable to the School of Administration, University of New Brunswick). Requests for copies may be sent directly to the School of Administration.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Affirmative Action

Koch, James V. *The economics of affirmative action*, by James V. Koch and John F. Chizmar. Lexington, Mass., Lexington Books, 1976. 158p.

Arbitration, Industrial

Brown, Donald J.M. *Canadian labour arbitration*, by Donald J.M. Brown and David M. Beatty. Agincourt, Ont., Canada Law Book Ltd., 1977. 551p.

The authors' intention in writing this book "was primarily to gather together and distil the reported arbitral jurisprudence of the past thirty years into a convenient research tool for lawyers, arbitrators, industrial relations representatives and trade union officials who are involved in presenting arbitration cases and in the administration of collective agreements."

Brain Drain

Grubel, Herbert G. *The brain drain: determinants, measurement and welfare effects*, by Herbert G. Grubel and Anthony Scott. Waterloo, Ont., Wilfrid Laurier University Press, 1977. 165p.

A collection of papers (1966-1970) aimed at providing policy makers with theoretical and empirical information on which future decisions relative to labour migration must be based. Deals primarily with Canadian and U.S. concerns. Includes some 1976 reflections on the measurement of the brain drain.

Collective Bargaining

Schick, Richard P. *The public interest in government labor relations*, by Richard P. Schick and Jean J. Couturier. Cambridge, Mass., Ballinger Pub. Co., 1977. 266p.

Centers on five case studies of jurisdictions where interest groups representing persons who were not parties to the bilateral negotiations between city officials (management) and public employee union representatives (labour) perceived an interest in the outcome of the negotiations and tried to influence it.

Industrial Democracy

Emery, Frederick Edmund. *Democracy at work: the report of the Norwegian industrial democracy program*, by Fred Emery and Einar Thorsrud in co-operation with others. Leiden, Martinus Nijhoff Social Sciences Division, 1976. 179p.

Herbst, P.G. *Alternatives to hierarchies*. Leiden, Martinus Nijhoff Social Sciences Division, 1976. 111p.

Industrial Relations

Bowen, Peter. *Social control in industrial organizations; industrial relations and industrial sociology: a strategic and occupational study of British steelmaking*. London, Routledge and Kegan Paul, 1976. 270p.

Based on an industrial relations case study in a British steel plant, this study is an account of the application of sociological concepts to the process of social relations between employer and employee, and among all types of industrial workers. The study shows that social control systems in industry must have proper regard for both organization requirements and the expectations of their rank-and-file memberships.

Job Enrichment

Taylor, Linda King. *A fairer slice of the cake — the task ahead*. London, Business books, 1976. 228p.

A collection of case studies showing how companies have used co-operation between management and workers to increase work motivation, thereby improving both job satisfaction and productivity levels. Includes an extensive bibliography on job enrichment and related fields.

Labour Unions

Nevin, Jack. *AFGE — federal union; the story of the American Federation of Government*

Employees, by Jack and Lorna Nevin. Washington, American Federation of Government Employees, 1976. 211p.

Noise

International Labour Office. *Protection of workers against noise and vibration in the working environment*. Geneva, 1977. 74p.

Titre en français: *La protection des travailleurs contre le bruit et les vibrations sur les lieux de travail*.

A code which provides guidance for governments, employers and workers, setting out principles that should be followed for the control of workplace noise and vibration, and containing information required for establishment of control programmes for individual plants. Includes a list of existing international standards and other international provisions.

Pensions

Organization for Economic Co-operation and Development. *Old age pension schemes*. Paris, OECD, 1977. 206p.

A comparative analysis of the different pension schemes in OECD countries, showing that they have much in common and fre-

quently encounter the same difficulties. The main problems discussed are the level of benefits, extension of coverage, adjustment of benefits to reflect cost-of-living increases, equal treatment of the sexes, financing of pension schemes, making retirement age and conditions more flexible, and the need to simplify administrative procedures.

Trowbridge, Charles L. *The theory and practice of pension funding*, by C.L. Trowbridge and C.E. Farr. Homewood, Ill., R.D. Irwin, 1976. 154p.

A textbook dealing with the basic principles of pension funding and avoiding detailed description of techniques or mathematical formulas.

Quality of Working Life

Susman, Gerald I. *Autonomy at work; a sociotechnical analysis of participative management*, by Gerald I. Susman. Foreword by Eric Trist. New York, Praeger, 1976. 231p.

Wages and Hours — Union Influence

Evans, John C. *On estimating the union — non-union wage differen-*

tial in Canada, by John C. Evans and Glenn M. MacDonald. Toronto, York University, Department of Economics, 1976. 33p.

An attempt to measure the relative wage effect of unionism so that it can be used in estimating the social opportunity cost of labour in Canada. Reviews the estimating methodology available and the results of previous investigations. Provides calculations for all occupations in general, and for low-skilled workers in particular, using inter-industry data, and for selected occupational groups using inter-regional data. Comments on the likely impact of business cycles and unanticipated inflation on the relative wage effect of unions.

Work Satisfaction

Barbash, Jack. *Job satisfaction attitudes surveys*. Paris, Organization for Economic Co-operation and Development, 1976. 36p.

This report deals with three questions: Is satisfaction in work really a problem? Can work satisfaction be conceptualized so as to be usable in government programs and policies? Is the methodology of job satisfaction attitudes surveys suited to evoke responses which will advance usable programs and policies?

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, August

The Consumer Price Index for Canada (1971 = 100) advanced 0.4 per cent from 161.8 per cent in July to 162.5 in August — the lowest monthly increase since December 1976 — and was 8.3 per cent higher than in August a year ago. Higher shelter charges for both owned and rented accommodation were responsible for almost two fifths of the latest monthly advance. An increase of 0.5 per cent in the food index accounted for an additional one third of the advance. Between July and August the index for all-items excluding food also increased 0.5 per cent.

Higher prices for fresh fruit, pork and poultry products were largely responsible for the 0.5 per cent rise in the food index. Other price increases were noted for bread, processed fruit and vegetables, tea, coffee and fats and oils products. Seasonally lower prices for fresh vegetables partially offset these increases. The index for food consumed at home rose 0.6 per cent in the latest month and has increased 12.5 per cent in the eight-month period between December 1976 and August 1977.

Higher shelter charges for both owned and rented accommodation, including higher dwelling insurance premiums, accounted for a large proportion of the 0.5 per cent rise in the index for all-items excluding food. Other contributing factors included higher prices for men's and women's outer wear and footwear, barbering and hair-dressing services, and for beer and alcohol served in licensed premises. Lower automobile insur-

ance premiums partially offset these advances. Between August 1976 and August 1977, the index for all-items excluding food increased 7.6 per cent.

In terms of goods and services, the price level of goods, including food, increased 0.4 per cent in the latest month and that for services rose 0.6 per cent.

Seasonally adjusted, the all-items CPI advanced 0.4 per cent between July and August. This included a 0.2 per cent rise in the food index and a 0.6 per cent increase in the index for all-items excluding food.

City Consumer, July

From June to July, consumer price indexes rose in all regional cities. Increases ranged from 0.4 per cent in Saskatchewan to 1.4 per cent in Montreal. Higher food prices — notably for beef, pork, fresh fruit, coffee, tea and restaurant meals, and increased shelter charges were mainly responsible for these increases.

The percentage increases listed in all 14 regional cities in July were: 1.2 in St. John's; 0.5 in Halifax; 0.6 in Saint John, Winnipeg, Regina and Calgary; 0.8 in Quebec; 1.4 in Montreal; 0.7 in Ottawa, Toronto, Edmonton and Vancouver; 1.1 in Thunder Bay; 0.4 in Saskatoon. The percentage increases from July 1976 to July 1977 were: 8.4 in St. John's; 8.1 in Halifax; 7.7 in Saint John; 9.4 in Quebec; 8.9 in Montreal; 8.8 in Ottawa and Calgary; 8.0 in Toronto; 8.3 in Thunder Bay; 8.2 in Winnipeg; 8.6 in Saskatoon; 9.9 in Regina; 9.1 in Edmonton; 7.1 in Vancouver.

Employment, August

The seasonally adjusted employment level in August was 9,798,000, an increase of 55,000 from July, Statistics Canada reported. The level for women 25 years of age and over increased by 33,000, and for women aged 15 to 24, it declined by 4,000. There were increases of 26,000 among men 25 years of age and over, and no change in the level for men aged 15-24. By province, the seasonally adjusted employment level increased in Nova Scotia by 4,000; in Quebec by 12,000; in Ontario by 20,000; in Saskatchewan by 5,000; in Alberta by 4,000. The level decreased in Newfoundland by 2,000; in New Brunswick by 3,000. There was no change in Prince Edward Island or Manitoba.

Unemployment, August

The seasonally adjusted unemployment rate increased by 0.1 per cent to 8.2 per cent (879,000) in August. It increased by 0.5 per cent to 15.2 per cent of men aged 15 to 24, by 0.1 per cent to 14.4 per cent for women in that age group, and by 0.4 per cent to 7.3 per cent for women 25 years of age and over. The rate declined by 0.1 per cent to 5.0 per cent for men aged 25 years and over.

Provincially, the seasonally adjusted unemployment rate increased by 0.6 per cent to 15.9 per cent in Newfoundland; by 0.2 per cent to 10.3 per cent in Nova Scotia; by 1.4 per cent to 14.3 per cent in New Brunswick; by 0.2 per cent to 7.0 per cent in Ontario; by 0.4 per cent to 4.9 per cent in Alberta; by 0.3 per cent to 8.8 per cent in British Columbia. The rate declined by 1.2 per cent to 8.6 per cent in Prince Edward Island; by 0.1 per cent to 10.2 per cent in Quebec; by 0.2 per cent to 5.6 per cent in Manitoba; by 0.5 per cent to 4.0 per cent in Saskatchewan.

Earnings, June

Average weekly earnings in Canadian industry were \$252.37 in June, an increase of 9.97 per cent compared with \$229.50 a year ago. Provincially, average weekly earnings, unadjusted, were highest in British Columbia, \$286.74; Alberta, \$263.13; Ontario, \$251.67; Quebec, \$247.69; Newfoundland,

\$247.09; Saskatchewan, \$239.11; Manitoba, \$229.59; New Brunswick, \$219.66; Nova Scotia, \$213.01; Prince Edward Island, \$189.79.

Average weekly earnings in June, by industry division, were: construction, \$377.68; mining (including milling), \$343.32; forestry, \$307.10; transportation, communication and other utilities,

\$289.34; manufacturing, \$267.22; finance, insurance and real estate, \$229.92; trade, \$195.95; service, \$172.54.

Compared with June 1976, average hourly earnings increased 9.79 per cent in construction, 6.42 per cent in manufacturing and 8.04 per cent in mining (including milling).

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	\$2.90 effective April 1, 1976
Alberta	\$3.00 effective March 1, 1977
British Columbia	\$3.00 effective June 1, 1976
Manitoba	\$2.95 effective September 1, 1976
New Brunswick	\$2.80 effective November 1, 1976
Newfoundland	\$2.50 effective January 1, 1976
Nova Scotia	\$2.75 effective January 1, 1977
Ontario	\$2.65 effective March 15, 1976
Prince Edward Island	\$2.70 effective July 1, 1977
Québec	\$3.15 effective July 1, 1977
Saskatchewan	\$3.00 effective January 1, 1977
Northwest Territories	\$3.00 effective June 7, 1976
Yukon Territory*	\$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: \$2.65	April 1, 1976
Alberta	Employees under 18: \$2.85	March 1, 1977
British Columbia	Students under 18 employed part-time: \$2.50	March 1, 1977
Manitoba	Employees 17 and under: \$2.60	June 1, 1976
Nova Scotia	Employees under 18: \$2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years \$2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: \$2.15	March 15, 1976
Prince Edward Island	Employees under 18: \$2.35	July 1, 1977
Québec	Employees under 18: \$2.95	July 1, 1977
Northwest Territories	Employees under 17: \$2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from	
			Previous Month	Previous Year
<hr/>				
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended July 16, 1977		11,100	+ 2.2	+ 2.4
Employed.....	July 1977	10,222	+ 1.7	+ 0.12
Agriculture.....	" "	531	+ 5.5	- 0.18
Non-agriculture.....	" "	9,691	+ 1.5	+ 1.7
Paid workers.....	" "	9,206	+ 2.0	+ 1.6
At work 35 hours or more.....	" "	6,881	- 8.9	+ 1.3
At work less than 35 hours.....	" "	1,594	- 17.8	- 6.4
Employed but not at work.....	" "	1,747	+ 218.2	- 1.5
<hr/>				
(change in thousands)				
<hr/>				
Unemployed.....	July 1977	878	+ 64	+ 103
Newfoundland.....	" "	31	+ 1	+ 4
Nova Scotia.....	" "	35	+ 2	+ 2
Prince Edward Island.....	" "	5	+ 1	—
New Brunswick.....	" "	35	+ 2	- 7
Quebec.....	" "	295	+ 21	+ 55
Ontario.....	" "	285	+ 4	+ 20
Manitoba.....	" "	26	+ 3	+ 5
Saskatchewan.....	" "	21	+ 6	+ 2
Alberta.....	" "	41	+ 12	+ 9
British Columbia.....	" "	104	+ 11	- 1
<hr/>				
Without work, seeking work and available for work.....	" "	792	+ 54	+ 113
<hr/>				
percentage change				
<hr/>				
INDUSTRIAL EMPLOYMENT (1961=100) ^r	April 1977	141.7	+ 0.9	- 0.5
Manufacturing employment (1961=100) ^r	" "	124.7	+ 0.3	- 2.7
<hr/>				
IMMIGRATION.....	1st quarter 1977	25,557	—	—
Destined to the labour force.....	" " "	10,962	—	—
<hr/>				
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts.....	June 1977	162	+ 5.1	- 37.7
No. of workers involved.....	" "	31,675	- 3.6	- 81.6
Duration in man days.....	" "	326,520	- 9.3	- 73.4
<hr/>				
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.) ^r	April 1977	246.25	+ 0.7	+ 9.7
Average hourly earnings (mfg.) ^r	" "	6.27	- 1.0	+ 11.0
Average weekly hours paid (mfg.) ^r	" "	38.7	- 0.5	- 0.5
Consumer price index (1971=100).....	July 1977	161.8	+ 0.9	+ 8.4
Index numbers of weekly wages in 1961 dollars (1961=100) ^r	April 1977	153.5	- 0.5	+ 2.5
Total labour income (millions of dollars) †.....	June 1977	10,093.1	+ 3.2	+ 8.0
<hr/>				
INDUSTRIAL PRODUCTION ‡				
Total (average 1971=100).....	June 1977	125.1	+ 0.3	+ 4.0
Manufacturing.....	" "	124.1	+ 0.1	+ 3.2
Durables.....	" "	126.3	+ 0.6	+ 3.4
Non-durables.....	" "	121.9	- 0.5	+ 3.0
<hr/>				
NEW RESIDENTIAL CONSTRUCTION **				
Starts.....	June 1977	21,279	—	- 9
Completions.....	" "	18,582	—	- 7
Under construction.....	" "	163,711	—	- 2

* Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001

† Advance data

‡ Preliminary

* * Centres of 10,000 population or more

† Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, JUNE 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1976					
June.....	135	260	171,334	1,224,180	0.64
July.....	84	219	83,388	1,270,240	0.68
August.....	78	206	116,648	1,186,600	0.62
September.....	59	185	136,482	1,943,860	1.08
October.....	78	181	927,888	2,035,720	1.14
November.....	52	138	54,886	498,700	0.26
December.....	37	110	45,090	249,202	0.13
1977(1)					
January.....	47	113	29,132	227,670	0.13
February.....	45	111	19,272	193,140	0.12
March.....	69	133	23,441	226,220	0.12
April.....	76	160	39,133	353,400	0.21
May.....	60	154	32,857	359,740	0.20
June.....	59	162	31,675	326,520	0.17
January-June 1977(1).....		422		1,686,700	0.16
January-June 1976.....		651		4,425,950	0.42

(1) Preliminary

WORK STOPPAGES BY INDUSTRY, JUNE 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to June)
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	0
Forestry.....	0	2	330	7,010	43,640
Fishing.....	0	0	0	0	20,800
Mines.....	2	4	1,070	4,680	75,660
Manufacturing.....	27	80	13,350	182,840	954,800
Construction.....	8	10	5,994	38,860	112,840
Transp. & Utilities.....	2	12	5,785	27,210	93,700
Trade.....	4	16	716	11,000	63,050
Finance.....	0	0	0	0	4,240
Service.....	7	19	1,732	28,600	233,890
Public Admin.....	9	19	2,698	26,320	84,180
Various industries.....	0	0	0	0	0
TOTAL.....	59	162	31,675	326,520	1,686,700

WORK STOPPAGES BY JURISDICTION, JUNE 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to June)
		Number	Workers involved	Duration in man-days	
Nfld.....	3	4	1,125	9,910	115,710
P.E.I.....	0	0	0	0	0
N.S.....	4	6	396	1,140	2,240
N.B.....	3	3	384	2,370	9,550
Québec.....	18	86	10,136	177,010	870,770
Ontario.....	22	37	10,032	73,910	424,960
Manitoba.....	0	1	4	90	18,010
Saskatchewan.....	3	6	1,170	9,810	22,640
Alberta.....	0	4	172	3,750	31,380
B.C.....	6	8	2,208	14,540	63,560
Yukon & N.W.T.....	0	0	0	0	0
Total, provinces.....	59	155	25,627	292,530	1,558,820
Federal Public Service(1).....	0	0	0	0	3,580
Federal Industries(2).....	0	7	6,048	33,990	124,300
Federal total.....	0	7	6,048	33,990	127,880
TOTAL.....	59	162	31,675	326,520	1,686,700

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

The Law Relating to Working Women. Summarizes selected international instruments and Canadian legislation, both federal and provincial, relating to the status of women in employment. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

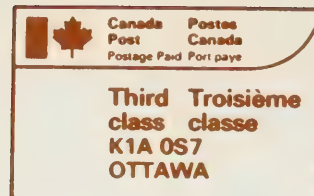
Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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**Labour
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EMPLOYMENT

Mobility declining

The Technical Service Council finds even unemployed professionals less willing to move to smaller cities or remote areas for work than in previous decades. "People are less inclined to make sacrifices for a job than formerly," concluded N.A. Macdougall, the Council's general manager, from the results of a survey of 9,000 accountants, engineers, executives, personnel and electronic data processing specialists and technologists registered with the non-profit placement and counselling service.

The survey found that categories of people who would have moved willingly in the past now refuse for several reasons: more wives are working; more families have adopted participative decision-making; pay incentives are drained by high taxes; portable pensions are not always available and the work ethic has changed. High real estate prices are also a factor in some cases.

Vancouver, Toronto and Montreal are the preferred workplaces because of "their cultural amenities and alternative job opportunities," the Council finds. Job hunters in the Atlantic provinces are willing to move anywhere, but, like professionals in other regions, are even more willing to move back home. But so many Vancouver professionals are

reluctant to move, even though out of work, that Council officials have coined a term for their hesitancy: "English Bay disease."

Mobility also may depend on job level. "People in the \$12,000 to \$30,000 bracket are especially reluctant to move," the Council finds. Executives earning \$45,000 per year or more are aware that the number of jobs are restricted and tend to be more mobile."

Part-timers more motivated?

For the past three years, Continental Illinois Bank in Chicago has employed 500 workers in the 16-to-21-year age bracket in a half-time split between work and school. In comparing their work with two control groups — other employees in the same age category and other workers in the same salary brackets — the bank found a higher retention rate, superior job performance ratings and better attendance rates among the young, permanent *part-time* employees.

The system had an additional benefit. It gave the company an opportunity to evaluate an employee before hiring him or her full-time, and it gave the employee a better knowledge of the company in order to decide whether to prepare for a full-time position, and if so what kind.

Growing army

Part-time workers number more than 13 million in the U.S. and

make up close to 18 per cent of the country's working labour force, according to the July issue of *World of Work Report* published by the Work in America Institute, Scarsdale, N.Y. In the early 1960s, they accounted for only 10 per cent.

This percentage is likely to increase in future, the report says, because 20 per cent of all unemployed workers are seeking part-time rather than full-time work, compared with only 5 per cent in 1950.

"The growing 'army' of part-time workers is comprised primarily of women, most of them married, who are working to supplement family income, to earn extra spending money, or simply to escape the drudgery of household chores," the report adds.

One advantage for employees is that they don't have to pay overtime to their full-time workers if part-time people are available to work the extra hours. Moreover, the part-timers are paid an average \$4.21 an hour, compared with an average \$5.16 for full-time employees.

WORKING TIME

Four-day week stalls

The four-day week has made little gain in the U.S. in recent years. Only about 750,000 workers were on four-day schedules in May, 1976, according to a survey by the Bureau of Labor Statistics. That is about the same number as a year previously and only about 100,000 higher than the May, 1974, estimate. The bureau says the proportion of workers on a four-day week has ranged between 1.0 and 1.3 per cent over the last four years.

It is interesting to note that as of May 1976, 8.7 million Americans worked *more* than five days a week.

EMPLOYEE COMPENSATION

Interest-free loans

About one-half of 300 companies surveyed by the Conference Board of Canada provide interest-free loans to help relocated employees ease the strain of housing cost differentials, but not one of 29 governments or universities, although some were considering doing so. The loans are for staff transferred in the normal course of business, "to protect them from the volatile real estate market or to bridge the gap between buying a new home and selling the old one," the Board said in a 72-page report on the survey, entitled *Relocation Policies and Practices in Canada*.

A typical loan is for \$20,000. The average repayment period is nine years. While 15 firms had more than \$1 million in such loans outstanding in 1976, the average was \$240,000. The companies appear to have adequate controls on amounts lent and repayment schedules.

"Encouraging employees to relocate has become an increasingly difficult task," the Board notes. "There seems to be a growing reluctance on the part of employees, regardless of organizational level, to uproot themselves and their families."

Revenue Canada announced in May that such interest-free or low-interest loans will become taxable benefits in 1978.

Loans for purposes other than

relocation are not as common, the survey found. For example, stock purchase and hardship loans are provided by only one firm in six.

THE SEXES

Women more productive

A continuing study by the University of Michigan's Institute for Social Research has found the 208 men it surveyed spent more time at unproductive activities in the workplace than did the 168 women. The men spent an average 52 minutes, or 11 per cent of the working day, not working — killing time through scheduled coffee breaks, unscheduled relaxing and talking with other workers, and extra time at lunch. The average women spent 35 minutes, or 8 per cent of the day, at such activities. The men surveyed earned an average \$7.00 an hour; the women an average \$4.34.

WORK STOPPAGES

Second quarter

Direct time loss from work stoppages due to strikes and lockouts in Canada amounted to 1,027,970 man-days in the second quarter of 1977. In relation to the total estimated working time of non-agricultural workers, this represents approximately 18.9 man-days per 10,000 man-days worked. The comparable figure for the second quarter of last year was 2,593,260 man-days lost. Work stoppages numbered 465 in the second quarter of 1977 and involved a total of 542,745 workers.

During the first six months of 1977, total time lost to strikes and lockouts amounted to 1,686,700 man-days, down markedly from the 5,851,720 man-days lost in the first half of 1976.



"RUMORS THAT THIS PLANT WILL SOON GO TO COMPLETE AUTOMATION IS UTTER NONSENSE. THIS IS A RECORDING"

EMPLOYEE EARNINGS

Office workers earn more in Canada

Canadian office workers are generally better paid than their U.S. counterparts and have unions in a higher percentage of workplaces, according to a survey by the Administrative Management Society of Willow Grove, Pa. The society surveyed firms employing 1.7 million office workers in the U.S. and 147,919 in Canada this year. Of the Canadian employers, 84 per cent said they had no part of their office staff unionized, while the comparative U.S. response was 90.7 per cent. The average weekly salary for a senior secretary was \$210 in Canada, compared with \$208 in the U.S., and the average weekly pay for seven data processing job categories was \$213 in Canada but only \$204 in the U.S.

EDUCATION

Mostly in-house programs

U.S. firms employing 500 or more workers spent an average \$60 per employee on education and training programs in 1975 — a total of more than \$2 billion by the 7,500 employers. A study by the Conference Board also found that 80 per cent of the money — \$1.6 billion — was for in-house training programs, with \$220 million allocated to tuition aid and \$180 million for other outside courses. About 13 per cent — 3.7 million — of the 32 million workers employed by the firms participated in in-house courses. Another 700,000 participated in company-organized courses after work and 1.3 million received tuition aid.

UNIONS

U.S. membership declining

The number of union members declined in the U.S. in the two years ended in 1976, the first such decline since 1960-62. Membership totalled 19,432,000 at the end of 1976 a drop of 767,000 from 1974. Women members dropped by about 400,000.

While the reasons have not yet been analyzed, some authorities suggest the big decline in women members results from heavy unemployment in industries employing large numbers of women, including the electronics and garment industries. Women may have been low on seniority lists in other industries and hence laid off before male employees.

The combined members of unions and employee associations, such as the National Education Associations, also declined, by 346,000 to 22,463,000. So did their share of the labour force — from 24.5 per cent to 23.2 per cent.

RETIREMENT

Human rights violation?

Opponents of compulsory retirement because of age won a ruling in Manitoba in June but lost one in Ontario in September.

In Winnipeg, an adjudicator for the Manitoba government ruled, June 3, under the provincial Human Rights Act, that Flyer Industries Ltd. of Winnipeg had discriminated against Peter Derksen a lathe operator, when it forced him to retire at age 65 two

years ago. The company was ordered to pay Derksen six months' wages, about \$4,000.

But in Toronto, a justice of the divisional court ruled, September 14, that the City of North Bay did not contravene Ontario's Human Rights Code by requiring Jay Cosgrove, the city's chief fire prevention officer, to retire when he reached age 60. The judge upheld a board of inquiry ruling conducted under the code that a mandatory retirement age was a bona fide occupational qualification and requirement for employment.

INDUSTRIAL DEMOCRACY

Ownership increases motivation

Worker owners of several plywood firms in the U.S. Pacific Northwest have consistently exceeded average productivity for the industry by more than 30 per cent. More than 25 worker-owned firms were established between 1920 and 1955 and 16 are still in business, comprising one-eighth of the American Douglas Fir plywood industry.

Their organization varies, but generally the employee shareholders meet once a year to elect directors from their own members. The directors appoint a general manager to co-ordinate day-to-day operations, usually someone from outside the firm.

Paul Bernstein, an assistant professor of political and social science at the University of California, Irvine, says managers are sometimes caught between the workers' self-interest as wage-

earnings and their interests as owners. "Such problems are resolved in two ways," he writes in the May issue of *World of Work Report*. "One is for the manager to show workers how their short-term interests depend on the firm's long-term investment. The other is to have individual workers learn the business directly by becoming directors."

"In spite of the difficulties, the firms prosper," he notes. "Considerable motivation for productivity is released by the self-management opportunity to a degree that apparently can outweigh the inefficiencies of semi-amateur management.... The lessons that these mills can pass on to others include not only the continuing demonstration of higher productivity that stems from pride of self-ownership and from direct participation in the managing process, but also the benefits that derive from worker education in business skills, methods of job rotation and income equalization, and workable procedures for collective decision-making."

THE WORKPLACE

Coping with Cupid

The office romance has achieved respectability, of sorts. A favorite subject of soap operas and fuel for innumerable office gossip sessions, the office romance is the subject of a recent study by Prof. R.E. Quinn of the public administration department of the State University of New York at Albany.

The study was prompted by the realization that interpersonal relationships that develop into romance can have considerable, often negative impact on the organization. As Quinn points out "organizations are a natural environment for the emergence of romantic relationships." The incidence of office romance seems certain to rise moreover, as women enter the workforce in ever greater numbers. The author discusses the effects on those immediately involved and upon those colleagues who are affected by the romance and the problems that arise as a result.

Owing to the difficulty of gaining objective information from those immediately involved, the study was based upon third-person reports. In some instances the involvement — almost always perceived as being intimate in nature — was judged by observers to be selfless and without ulterior motive. However, it was commonplace to adjudge that the man and woman might have highly different expectations of, and motives for becoming romantically involved. For the man it may gratify his ego while providing some excitement whereas for the woman romance in the office is viewed as being a means to secure advancement, power, a raise or other job-related benefits.

Whatever the motive, it is the impact of the romance on others and the work situation that prompted the study, which revealed that by introducing a new set of organizational standards the office romance could upset routine, create conflict and jealousy, alter the accepted chain of command, lower morale, and

even lead to severe sanctions and severance.

Given the potential seriousness of an office situation in which a man and woman (he being usually her senior in rank in the organization) becomes romantically involved it is scarcely surprising that those affected develop ways to cope with, and in some cases combat, the effects of the romance.

The most frequent method is for someone to simply go to one of the participants to advise him or her in a friendly manner that others have noted the romance and are concerned about its negative side-effects. Should friendly persuasion fail, a superior may be advised, although this is frequently viewed as a pointless gesture. More severe strategies may include undermining or sabotaging one of the partners in the hope that the severity of the situation will be exposed and corrective action taken. Even ostracism has been utilized to stress workgroup disapproval.

Such treatment may seem severe but the study shows that 90 per cent of office romances are perceived as having had negative effects and of these fully one third have caused serious disruptions requiring corrective action, which may entail persuasion, reprimands, or even severance. It is noteworthy that when the ultimate solution of firing one of the participants is utilized it is twice as likely that the female will lose her job because of her lower status and hence "lesser" value to the organization. Most of the happy endings, it would seem, are reserved for the soap operas. [9]

Productive employment for prisoners in Canada

by Lynda Leonard

In 1914 the Royal Commission on Penitentiaries made this recommendation to Parliament:

There is unanimity of opinion as to the necessity of labour in prisons. No one has had the cruelty to suggest that the prisoners should be sentenced to enforced idleness, that, deprived of his liberty for society's protection, the prisoner should also be deprived of his right to work. Not only should the prisoner be given work but all prison administrators agree it should be purposeful, productive work — work calculated to make him a more efficient citizen when he regains his liberty.

Sixty-three years later and after many reports to Parliament, this recommendation is strongly rephrased as a principle of the Subcommittee on the Penitentiary System in Canada:

Work is necessary for personal reformation. Idleness and boredom are among the most destructive elements of prison life. A full working day, as near outside normalcy as possible, should be mandatory for every inmate capable of working.

One report on the penitentiary system is much like another. The same recommendations surface again and again, fated each time to be ignored or tangled in the web of government bureaucracy. But this time there is a possibility that the repeated calls for effective work programs may cease.

There are approximately 9,500 men

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and women in the 54 institutions within the Canadian Penitentiary Service's authority. The majority are occupied in training workshops, academic programs or in maintenance areas of the institutions. Roughly 1,500 inmates in 15 prisons are employed in industrial programs.

Each inmate, regardless of whether he is working or studying, is paid a daily wage. Wages vary in accordance with five levels from \$0.75 to \$1.95 per day. For overtime they're paid 20 cents an hour. From this they make a compulsory saving and a contribution to the inmate welfare fund. The wage levels reflect a prisoner's deportment rather than the value of the work he does, so it's possible for a recalcitrant machinist to make 20 or 30 cents less than a bottle washer.

Inevitably the paltry pay and the peculiar assignment of wage levels tend to devalue both the work done and the time consumed. One inmate, an experienced welder, explained why he opted for an academic program rather than practise his skill in one of the prison workshops. "I respected my profession too much. I wasn't going to prostitute it for sixty or seventy cents a day."

The low wages also pose a serious problem at the time of release. Inmates pay for their weekly

canteen from their wages. They are permitted to draw from their savings after they have accumulated \$50. They often need the money to take out on passes or to replace worn clothing. Because of the length of time it takes to save the money and because of the various needs that crop up over that period it's not uncommon for an inmate to be released with \$50 or less.

This creates a built-in hardship for the ex-con returning to the street. "The system perpetuates crime," said one inmate of the Prison for Women. "I went out of here after six months with \$20. I had to pick up my kid that afternoon. Welfare wouldn't give me Mothers' Allowance till I had an address. Where am I going to get an apartment for twenty bucks. So, to support my kid, I pulled a boost."

Even if the inmate can make a reasonable saving toward the day of his release and even if he has the exceptional good fortune to find a job, he's generally poorly prepared to keep it. Prisons tend to institutionalize inmates. They rob them of responsibility and the power to make decisions. They also support a negative attitude toward work. 'Stall' is the watchword that gets you through prison, but it doesn't do much to help you once you're outside. Bruce Sanderson, Joyceville Institution's Assistant Director of Industries is aware first hand of the short-comings of the present industrial program. "Several years ago I was working for Canadian Locomotive.

I hired some welders from the Kingston Prison, but I had to let them go. They couldn't meet the time standards," he said. "When these inmates go outside they are just not able to cut the mustard."

If a prisoner is eventually to find a permanent place for himself in the outside workforce he must be trained to work; not merely trained in a specific skill, but trained in how to cope with the everyday dilemmas that occur in the workplace. It becomes the responsibility of those who design the industrial programs for CPS to make the prison work experience more meaningful.

The Canadian Penitentiary Service has been a long time in recognizing that inside industries can contribute to the rehabilitation of a prisoner. In the past, recreation and academic programs took precedence. The industries branch was considered, in the words of the branch's acting director, Brian Geraghty, "...an outside, useless, secondary appendage of the corrections system...a form of slave labour." It's only since the late sixties that the department, recognizing the long benefits of prison industries, has begun to implement a serious industrial program.

The result of this shift in attitude is a varied network of manufacturing plants, requiring a wide variety of employee skills, within medium and maximum security prisons across the country.

Between 70 and 80 inmates of the LeClerc Institute are producing landscaping screens — those upholstered partitions that outline cubicles in open-concept office spaces. This involves a three part operation requiring skills in metal working, wood working and upholstery. Warkworth, Cowansville and Mission Institutes have plants producing office desks. The

One perceives a sense of pride in their work and a strong camaraderie.

Mission plant is also producing cell furniture for two new prisons being built in the West. Matsqui has an ambitious enterprise underway producing modular housing units on contract with a local Indian band council.

Although CPS will accept orders from outside non-profit organizations, the majority of their contracts are with the Department of Supply and Services. CPS is now working on getting right of first refusal on any articles the government wants to buy. This ready-made market would provide some security, but the onus would still be on prison plant managers to keep their costs competitive with outside industry. So no plant can afford to keep a labourer who's operating on the stall principle.

The standard methods of keeping labourers productive are used in prison plants. Cash bonuses, distributed on a group basis to encourage co-operation, are given for quota production. An habitually indolent employee risks being fired. But being fired in prison simply means a transfer from one workplace to another. Job security is just about the only fringe benefit CPS offers.

The artificiality of the process of firing is an indication of the basic problem of prison industries: the inside industries bear only a superficial resemblance to outside industries. The labourers work a six-and-a-half-hour day. Their day is short for reasons of security, not due to the success of a strong union. Prisoners' unions are banned. Six and a half hours is the maximum length of a work day. Inmates are continually called off

the job to meet with classification officers, doctors, dentists, visitors and even institution chaplains. These meetings can take hours and are a constant frustration for foremen and plant managers trying to meet production deadlines.

In the area of wages prison industries reflect the real working world least of all. Besides being deprived of the rewards of a decent paycheck, the inmate is given no opportunity to learn anything about managing the little money he earns. The compulsory savings deduction doesn't allow the inmate to make any financial decisions of his own beyond how many ready-made cigarettes he should purchase that week.

Obviously if the CPS is going to provide inmates (many of whom have never worked before) with a true picture of what it's like to hold a job, they must begin by placing a higher value on his labour. But at this point, paying employees a decent wage, combined with the other expenses of running the institutions would make the already high cost (from \$17,000 to \$20,000 per year) of keeping an inmate prohibitively expensive and invite public outcry. Nevertheless, CPS seems to be committed to working toward a more just rate of pay. "I would say that easily 90 per cent of the administrators involved with the penitentiary service favour the federal minimum wage for inmates," said Geraghty. But the road in this direction is long and CPS took its first step only a year ago.

Joyceville Institution is a medium security prison located 90 miles southwest of Ottawa. Since July 1976 it has been the site of an experimental industrial program designed to accurately simulate the working conditions of an outside plant. Joyceville has a large metalwork shop that

produces lockers, relay and rural post boxes, lateral filing cabinets and steel shelving. It employs up to 48 men in jobs like welding, painting and tool and die operating. It looks like any other metal work plant, except it's a little newer, a little cleaner and a little safer.

The men working at Joyceville are paid an hourly rate. They punch a clock just like their counterparts in outside industry. The rates range from \$1.30 (the wage for workers during the six-week probationary period) to \$2.80. Employees pay income tax, and contribute to Canada Pension and Unemployment Insurance. This last is a real blessing considering the problems ex-inmates have in finding employment after release. The men also contribute a token amount — from \$10 to \$12 per week — for room and board. This is more to provide an upkeep exercise than to defray the cost of prisoner maintenance. And if an employee wishes, channels have been set up to funnel off some of his income to support his family.

Inmates apply for positions in the plant as they become available. There are roughly 45 to 50 applications per opening so the competition reflects the outside job market. Applicants have to meet only very basic standards outlined in the job descriptions. Experience in a specific trade isn't necessary. Employees also face real job insecurity. The ultimate disciplinary action is firing and here the loss in pay from \$2.10 per hour to \$1.00 is a very real deprivation.

Workers put in a full seven-hour day. They're entitled to two ten-minute coffee breaks and a half-hour lunch. Prison business, like meetings with classification officers, has to be scheduled around work hours. Only in emergencies is an employee

allowed off the job and he is not paid for that time.

The really significant differences in the Joyceville plant are the intangibles, like the respect with which workers are treated. The word 'inmate' refers to those who don't work in the plant. Those who do are called employees. Security in the plant is minimal and discreetly placed. As business manager A.M. Chapman pointed out, "You can't expect these guys to work productively with guards breathing down their necks." An employee sub-committee was formed as a medium between labour and management. They handle workers' grievances and have input into hiring decisions.

"It's going to be quite a switch for me," he said, "to walk into a bank and say 'I'd like to make a deposit'."

Respect fosters dignity among the employees. One perceives a sense of pride in their work and a strong camaraderie. This extends itself into the whole prison community. Elitism, dangerous in a prison environment, threatens but the men have transferred those impulses into a stronger sense of community. It's not uncommon for a couple of employees to buy a case of pop for the others on their range who work elsewhere within the institution.


The real payoff for this project comes after release. Employees look forward to better job prospects and financial security. One man has been working in the plant for six months and has saved \$1,800. "It's going to be quite a switch for me," he said, "to walk into a bank and say 'I'd like to make a deposit'." One employee was recently released after spending 12 years in jail. He had never worked at all before getting a position at the Joyceville plant.

He's now working outside as a welder making an hourly wage of \$7.82.

After a year the Joyceville project appears gratifyingly successful. But they've had some problems. Administrators had difficulty selling the steel lockers the plant originally produced and had to lay off some employees briefly as they retooled to fill new contracts with DSS and the Post Office.

This would be a minor setback for private industry but the Joyceville project could be quite vulnerable to such problems. The project will be evaluated, not only in terms of employee rehabilitation but in terms of profitability as well. Administrative bungling or poor market research could put the project deeply into the red and threaten to undermine the one innovation the industrial program has seen in a long time.

Evaluation of this project is going to require great sensitivity, so it gives one pause to discover that this task has been assigned to two men from York University's Faculty of Administrative Studies. This is not to infer that these men are equipped with a narrow range of skills, but the fear does arise that economic profitability will take precedence in their report over the other aspects more difficult to assess. The intangibles are important and can have a long range profitability. "We have restored a man's dignity," said Chapman. "If we can assist in the rehabilitation of one man, that's \$20,000 to our credit."

CPS appears to be firmly committed to the objectives of the Joyceville project. Geraghty expects to see positive steps taken toward these goals on a nationwide basis within the next five years. Hopefully, this will take place before the next parliamentary sub-committee tours the prison. 

Making work more human

by Roy LaBerge

In 1977, a group of auditors in Canada's department of national revenue adopted a new dress policy. Instead of always wearing suits and ties, they began to dress according to the workplace they were visiting, whether an office, a farm or a factory.

That same year, 25 Statistics Canada keypunch operators rearranged their machines, which previously had been set up in line, so that they could be more sociable with one another. They were also permitted, for the first time, to drink coffee at their desks and to make personal phone calls. They reported that their workplace lost its depressing atmosphere and that they felt completely autonomous; their supervisor became an adviser rather than a boss.

And two groups of translators working for the department of the secretary of state were on completely flexible hours with a system of time banking that allowed them to work at home if they wished. Their office furniture was also rearranged to provide for a less impersonal job atmosphere.

The changes were part of an 18-month pilot project to improve the "quality of working life" (QWL) for federal employees. The notion of improving the quality of working life was not new; what was novel about these federal projects was that the employees themselves were involved in the decision-making process that led to the changes.

Several Canadian companies have also initiated QWL programs

involving employees in the decisions affecting their work lives. For example, Air Canada began involving employees in two effective QWL pilot projects at its maintenance base at Dorval airport in 1974. After clear successes there, it launched broader projects in its reservations office in Toronto and its accounting office in Winnipeg.

Miracle Food Mart, a subsidiary of Steinberg Ltd., adopted a QWL program at its personnel office in Rexdale, Ontario in 1971, at the employees' suggestion. The clerks learned one another's jobs and, as a result, found their work less monotonous. The operations ran more smoothly because the employees were able to fill in for one another during absences.

At *La Presse*, a French-language daily newspaper in Montreal, management-employee committees were set up after a bitter lockout in 1972. The results included more autonomy for employees in the workplace, improved communication, a better work atmosphere, more rapid solutions to problems, and even improved news coverage.

Several other programs involving a high level of employee participation are underway elsewhere in Canada, but on a low-key basis. As

Employees often prefer a management style based on group collaboration and information sharing

Thomas E. Armstrong, Ontario's deputy minister of labour, explained: "Management and worker representatives don't want the situation to become known until they have proven they can make some progress." Among the employers involved are B.C. Forest Products in MacKenzie, British Columbia, and Alcan Aluminum in Kingston, Ontario.

Employee involvement in QWL has also been adopted in the U.S. as a major new approach to industrial relations. One of the biggest and most successful projects is at General Motors' Fisher Body plant at Grand Rapids, Michigan, which employs 2,000 hourly paid workers and 300 salaried supervisors, managers and technical staff. To supplement the plant's vertical organization, six work groups crossing departmental lines were established between 1973 and 1976. Each group became, in effect, an autonomous little business, setting its own goals, with its members responsible to each other for "their" business' success. The idea had come from the employees themselves, who preferred a management style based on group collaboration, information sharing, and a lower level of decision making.

The business team concept, which has spread throughout the plant, places less emphasis on authority and more on responsibility, less emphasis on fault-finding and more on co-operation and problem solving. As a result of these changes, the number of grievances and disciplinary cases were substantially reduced during the 1973-77 period; employees

understood production scheduling better and many applied for training to become supervisors; teamwork and general attitudes improved. In addition, team members experienced more freedom to perform their jobs with less direction, although the working relationship with supervisors was closer; members felt closer to daily problems and had a better understanding of how their jobs affected other areas of the business; top plant managers were less involved in the nuts and bolts of production and could devote more time to planning.

Top plant managers, less involved in the nuts and bolts of production, can devote more time to planning

GM's assembly plant division in North Tarrytown, New York, with 3,500 unionized employees, provides another striking QWL success story. The program was launched after a series of emergency meetings in the plant in 1972 to discuss its problems: work below standard, staggering absenteeism and an abnormally high backlog of grievances. As a result of the QWL program, the plant became one of GM's leaders in work quality; absenteeism reached a record low; the number of grievances dropped, and relations with the union improved.

Another U.S. company, Harman International Industries restructured its automobile-mirror producing plant at Bolivar, Tennessee, to make work more satisfying through improved co-operation and participation. Every worker was given a say in decisions directly affecting him or her. In each department a core group of the foreman, the shop steward and one other elected employee was established to

receive suggestions at the shop-floor level for restructuring work or launching new programs. That group, in turn, funneled them to a working committee of management and union leaders. Another change was that each worker was allowed to go home whenever his day's production was finished, regardless of the number of hours he worked. The program has resulted in increased productivity, profitability and return on investment, as well as reduced staff turnover and absenteeism.

During the 1971-75 period, academic publications carried reports on at least 14 similar successful experiments in the U.S. The workplaces, representing a wide range of industries, included GM's Lakewood plant in Atlanta, Georgia; Donnelly Mirrors Inc., Holland, Michigan; General Foods' Gaines pet food plant at Topeka, Kansas; Autonetics, a division of North America Rockwell; the University of North Carolina; and Yellow Freight Systems, Kansas City, Missouri. Other workplaces included a small lumber company, a hospital laundry and a specialty steel plant in central Pennsylvania. They involved either changes in supervisory methods or in the "sociotechnical" system — that is the interaction between the technology involved and the relations among the people doing the work.

Where QWL projects have been successful, they have resulted in lower absenteeism and turnover, greater worker satisfaction, higher productivity and lower costs. However, a survey of the research by Work in America Institute, Scarsdale, New York, a non-profit organization established to improve the quality of working life and productivity, found one deficiency in most of the projects: lack of a control group against which to measure the results.

Despite the successes, there have been some notable failures among QWL experiments involving employee participation

There is no doubt that more such projects will be launched in North America. QWL implementation and training centres have been created in Washington, D.C. and Los Angeles, and at McGill University in Montreal. The opening of the McGill centre in 1977 followed an announcement in the Fall of 1976 by Labour Minister John Munro that the federal government was taking initiatives to promote the QWL concept in Canada. Munro said the concept reflects the attitudes and aspirations of a new generation of workers "who are unwilling to spend one third of their adult lives as human cogs in inhuman machines... It recognizes employees as men and women who like to go to work, who like to do a job and who care about productivity." To Munro, the essence of this new approach to the "man-machine" relationship is "to restore — and increase — the participation of workers in production decisions: Employers are discovering that workers have brains and hearts as well as hands and feet."

Jerome M. Rosow, president of Work in America Institute, has also noted that satisfying the expectations and aspirations of today's workers requires "a shift away from totalitarian concepts of management" and placing a higher value on individual employees and groups as factors in work efficiency. "Since employees are critical to the quantity, quality and regularity of production, Rosow asserts, "a progressive attitude toward their motivation, involvement and participation can be a

positive force for efficiency and profitability."

Worker participation in decision making is gaining support as more and more managers recognize that their organization can only gain in strength as they supplement their own expertise with that of their employees. In a survey by the National Center for Productivity and Quality of Working Life, a federal agency based in Washington, D.C., 188 managers, unionists, government officials and others agreed generally that it is desirable to allow employees' more influence over their working environment and working conditions.

Despite those views, there is an influential group of academics and management consultants who stress satisfaction in the *task itself* as a motivator for employees over such social factors as the degree of autonomy or of participation in decision making.

One of the best known proponents of this "orthodox job enrichment" school is Frederick Herzberg to whom achievement, recognition, responsibility and growth are the "motivators" that give workers positive feelings of job satisfaction. He contends that the way to provide these motivators is to restructure jobs so that they challenge workers' abilities. His way to improve the quality of working life is to have the individual worker take on individual responsibility for a task that fulfils him by its very nature, rather than have him get involved in decision making about those tasks.

Herzberg is highly critical of past efforts at worker participation: "Though it may not have been the theoretical intention, job participation often becomes 'give them the big picture.' For example, if a man is tightening 10,000 nuts a

Successful QWL programs have meant lower absenteeism and worker turnover, and higher productivity

day on an assembly line with a torque wrench, tell him he is building a Chevrolet.

"Another approach had the goal of giving the employee the feeling that he is determining, in some measure, what he does on the job. The goal was to provide a sense of achievement rather than a substantive achievement in his task. Real achievement, of course, requires a task that makes it possible."

Herzberg is not necessarily opposed to worker participation per se, as long as it also involves job enrichment. This is obvious from several of the items on his own list of essential ingredients to a good job.

"Direct feedback," in which the worker measures his own productivity instead of learning about it from a superior, obviously involves at least some employee participation. So does "client relationship," in which the worker or worker group has to meet specific needs of a particular person or group either within the organization or outside it. "Scheduling of one's own work" is obviously participation, as is "control over one's own costs," which includes "providing employees with minibudgets to run their own operations." Participation is also implied in "direct communication authority," by which Herzberg means communicating directly with workers doing other parts of the job rather than indirectly through a superior.

But orthodox job enrichment may not be the answer to a more

satisfying quality of working life for *all* employees. George Strauss, a professor at the School of Business Administration at the University of California, says there is reason to believe that for a wide range of employees — especially those in lower-income categories — *extrinsic* factors such as pay, vacation and even the lighting and temperature of the workplace may be of greater importance than having jobs that offer "challenge, variety or autonomy." Moreover, the research of organizational psychologists P.C. Smith and C.J. Cranny found no simple relationship between organizational incentives — or rewards — employee satisfaction and effective performance. Improving the quality of working life may not improve productivity if, for example, the employees are unskilled. Much depends on the type of industry and occupation.

One big productivity gain came through replacing some managers, an increase in monitoring and central control and tough discipline

Herzberg agrees that job enrichment will not work for everyone, but contends that people who want enriched jobs outnumber those who cannot accept them: "We have a choice, therefore, of structuring work for the vast majority of healthy, capable, motivated individuals, and suffering or otherwise dealing with the smaller percentage of those who prefer or are only capable of doing Mickey Mouse work.... In essence, what we have done in the past is to structure work to meet the needs of this minority of employees."

While a significant number of QWL experiments involving employee participation have resulted in

improved productivity, there have been some notable failures. One involved six groups of highway construction and electrical workers, employed by the Ohio Department of Highways, who were given total responsibility for their work. Productivity declined in two of the groups and did not improve appreciably in the four others. Absenteeism worsened in five of the six.

Another experiment with disappointing results was at Non-Linear Systems, a manufacturer of digital electrical measuring instruments in Del Mar, California. The 340 assembly line employees were divided into small teams, each responsible for setting its own pace, deciding on the allocation of tasks among its members and solving its own internal problems. The program produced a high turnover of department managers — 13 of 30 left in two years — but no increase in plant efficiency or change in the rate of absenteeism, and was abandoned after profits declined.

It is also noteworthy that one of the best productivity gains reported in an analysis by World of Work Institute of 105 productivity experiments in the 1971-75 period was the overhaul of New York City's municipal welfare system, with 27,000 employees. It produced a 16-per-cent increase in employee productivity, a decline in error rate from 35 to 15 per cent, the removal of 13,000 people from welfare rolls, and a big reduction in the backlog of cases. Advocates of employee participation might shudder at the means by which that highly effective program was carried out: "replacement of some managers, increase in monitoring and central control and a tough discipline program."

Edgar H. Schein, a U.S. organizational psychologist, holds that it is

"Complex Man" theorists hold that it is impossible to make any generalizations that apply to all workers

impossible to make any generalizations that apply to all workers, and that the most practical assumption managers can make is that of "complex man" — every individual is different. To support this notion, he cites the research into worker alienation by L.I. Pearlin and Chris Argyris, themselves holders of the concept that workers need "self-actualization" through tasks that are fulfilling. Pearlin and Argyris have found many employees who do not seek challenge or autonomy in their work. Some employees genuinely respect authority and orders from people of higher status in the organization. Their personal needs and predispositions leave them comfortable in highly authoritarian situations that demand little of them in terms of decision making.

Schein has also cited extensive empirical research to demonstrate that motivation of employees may change over time for a variety of reasons: "Employees' motives, perceptions, degrees of effort and experience" in an organization all interact in complex ways, "to produce a given level of performance and a degree of involvement in the organization."

The complex man concept also leads some observers to question whether most employees truly dislike dull, monotonous jobs as much as some better educated academics and management consultants might believe. Psychiatrists from Rutgers University found that 95 per cent of production-line workers at a GM plant in the Baltimore area, for example, reported themselves

happy with their jobs and 70 per cent reported no part of their work as tiring or upsetting. These results were not at all consistent with the researchers' hypothesis about the "miserable impact" of dull, production-line employment on the workers' mental health. The researchers spent considerable time in the plant and could not understand why the workers did not express more dissatisfaction.

Some employees are comfortable in highly authoritarian situations that demand little of them in terms of decision making

This is not to say that most workers might not be happier with self-actualizing, fulfilling work; it may be that they don't miss it because they have never experienced the kind of work described by C. Wright Mills as the "craftmanship" model. It would include gratification in the work itself, satisfaction in the final product, and freedom to control one's work activities. The assembly line and other technological changes have eliminated this model from the working lives of most North Americans, and Mills points out that they are not even conscious of the loss:

"The craft life would be immediately available as a fact of consciousness only if in the lifetime of the modern employees they had experienced a shift from one condition to another, which they have not; or if they had grasped it as an ideal meaning of work, which they have not."

Mills said that the satisfaction of the modern worker is grounded in considerations of income, security, power and status — "the morale of the cheerful robots engineered by a managerial elite."

If Mills' perspective were valid when he wrote that in *White Collar* in 1953, and if it holds true today, as much of the empirical research suggests, then one can readily understand some employee apathy (or even resistance) toward certain types of change in the quality of their working lives.

Writing 24 years later, another U.S. sociologist, George Ritzer, warns against the "elitist" trap of imposing the values of executives and academics on workers: "Not everyone wants or needs workplace democracy. Some people may prefer simplistic, repetitive work to the greater complexity and responsibility that comes with democratization. When given the chance to change their work, at least some people will not want to change. We should not force people to change their working pattern in a direction that we think is best for them."

Perhaps the world's best known experience in shop-floor participation is that of the Volvo and Saab auto firms in Sweden, which have drawn praise for "humanizing" the production line. Workers are divided into autonomous groups and the task of each member is not only decided by the group, the tasks are also rotated within the group so that each worker eventually gets to perform all of them. When six U.S. auto workers visited a Swedish car engine assembly plant and were integrated into the groups, their reactions were not what Arthur S. Windberg, a Fordham University researcher, had anticipated. All but one member of the U.S. team complained that the work pace was too fast and felt that the work imposed psychological pressures that far outweighed the benefits of variety. They were, however, favourably impressed by the plant's low noise level, its good

"Auto workers everywhere seem to ignore the recommendations of social scientists that they should hate their jobs."

lighting and its clean air. That reaction supports an argument of Herzberg that the *extrinsic* factors that cause work *dissatisfaction* can be removed even where positive work satisfaction may not be achieved through the task itself.

A review of the academic literature suggests that most assembly-line workers in the U.S. auto industry would have reacted in much the same way if they had visited the Swedish plant. Most studies agree that workers are at best "moderately satisfied" with their jobs, not because of the nature of their tasks but because the wages and fringe benefits they earn enable them to enjoy a much prized standard of living, to seek and experience satisfaction in off-the-job activities. As one member of the "moderately satisfied" school, William H. Form, has observed: "Auto workers everywhere seem to ignore the recommendations of social scientists that they should hate their jobs."

However, Al Nash, an associate professor of industrial and labour relations at Cornell University's New York School of Industrial Relations, has criticized much academic research on auto workers for failing to observe that the workers develop "strategies of independence" that enable them "to protect their personalities from the dehumanizing tendencies of the assembly line."

"Through their collective actions and, of course, their union," Nash observes, "they have improved the

quality of working life as expressed in safety, dining facilities, ventilation, lighting, sanitation, heat and the pace of work" — all factors *extrinsic* to the task itself.

Jack Barbash, a professor of economics at the University of Wisconsin, points out that unions pursue such quality of working life goals as readily as they do wage increases. He also contends that the collective bargaining process itself enhances the quality of working life: "An agreement that is based on the rights and powers of two sides in an adversary relationship is more personally satisfying to an employee than a claim which is dependent solely on the goodwill of an employer."

Meaningful tasks may not be available to all or even a majority of employees

Here organized labour may be recognizing a reality of the workplace: that as industry now is structured, meaningful, fulfilling work may simply not be available to all or even the majority of employees. And if some tasks cannot be made more meaningful, the quality of working life can at least be improved by reducing the *extrinsic* causes of job dissatisfaction. Among such factors Herzberg lists company policy and administration, supervision, interpersonal relationships, working conditions, salary, status and security. Herzberg terms these "hygiene" factors, contrasting them to the "motivation" factors associated with the task itself.

No one can reasonably doubt that unions in both Canada and the U.S. have done a great deal to enhance the quality of employees' working life and will continue to

do more through collective agreements and the grievance procedure as well as by lobbying governments at all levels. On the other hand, a long history of confrontation has left many union leaders suspicious of QWL initiatives by management as pious attempts to make employees more productive.

As Howard R. Smith of the University of Georgia's department of management aptly puts it: "Such management initiatives are seen as a gift being offered to people long suspicious of gift horses. The employees prefer the life enrichment of higher wages and more time off."

Nevertheless, labour minister Munro is optimistic that the reservations of all parties can be overcome through direct involvement in QWL experiments. "QWL is not an alternative to collective bargaining," Munro says. "But it can complement the benefits which trade unions win for their members at the bargaining table."

From this overview of academic and managerial experience, some generalizations may be drawn about improving the quality of working life in North American workplaces:

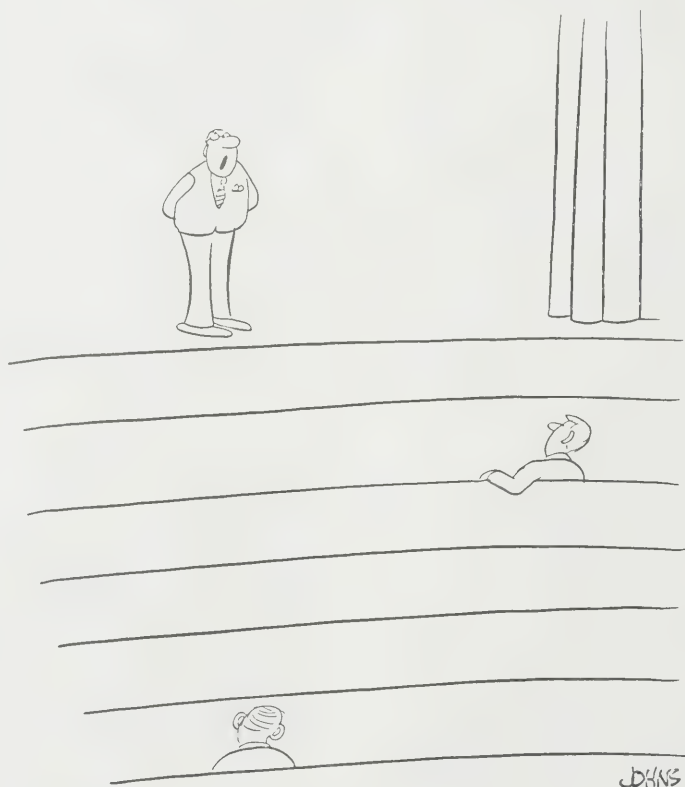
- Not all jobs can be made "meaningful" or "challenging" but *working conditions* can be improved.
- Many managers and some academics believe QWL changes would improve productivity but see no need for worker participation in deciding on these changes.
- Some managers and many academics see QWL changes that involve participation as producing positive job satisfaction for workers and also improving productivity.

Some workers may not be the least bit interested in direct participation in decision making

- Some workers may not be the least bit interested in direct participation in decision making because they have never consciously experienced it.
- Some workers prefer tasks that make few demands on them, and want someone to tell them what to do.
- Some experiments aimed at improving QWL through various forms of shop-floor democracy have demonstrated increased productivity and some have not.

- Successful QWL improvements involving worker participation cannot be imposed by fiat on either supervisors or workers but must be acceptable to the persons implementing them.

Finally, a distinction must be noted between two very different forms of participation — consultation and decision making. It is obvious that even when more managers learn to consult employees about workplace changes, they may still be reluctant to surrender to the employees the power to make decisions about those changes. What may be less obvious is that many workers themselves may be unwilling to accept the decisions made by a group of peers, to bow to what Herzberg has referred to as "the tyranny of the group."




"TODAY, GANG, I WANT TO TALK ABOUT
ABSENTEEISM ON THE JOB"

For although North Americans are accustomed to political democracy and turn out in force for federal and provincial or state elections, and sometimes even for municipal polling, most have little experience in direct democracy — in decision making by peers in a group situation. Only a minority of union

members participate regularly in the democratic processes of their organization. Only a minority of citizens take an active part in the constituency organizations of political parties.

Perhaps further academic research is needed into the preparedness of

North American employees for shop-floor or task centred democracy. One of the greatest barriers to worker participation in improving the quality of working life may be that both workers and managers believe, at heart, that "authority knows best." 

Additional observations on the quality of working life

Current initiatives designed to give employees a more meaningful and significant role in the organization are not in themselves radical departures from the general trend toward improving working conditions which has been continuous in industrial society. The new approach is merely a logical extension of the basic tenet, promulgated by the International Labour Office, that labour is not a commodity.

A common feature of various experiments in Europe and North America is that they have made possible, or increased, worker control over the organization and planning of the immediate work environment, for it is on the shop floor that there is the most scope for developing and implementing new concepts of management.

While there is now a growing awareness of the need to give greater responsibility to individual workers in identifying health and safety hazards and also in the design and application of protective measures, the QWL approach usually is aimed at making work more satisfying by reducing boredom and isolation, and eliminating physical and mental stress on the job. It may take

several forms, including the encouragement of greater individual or team responsibility for the organization and management of a task, as well as the extension of the scope and range of the task, as a means of increasing the amount of individual judgement required (job enrichment). Alternatively, the nature of the task may be varied without necessarily adding any intellectual challenge (job enlargement). Or the employee may be permitted to move from time to time to different tasks in order to vary the routine and promote learning (job rotation).

The employee may even be allowed discretion in setting his own work schedule through some form of flextime system, such as those now gaining a firm foothold in North American industry and government. In this way, it is hoped that the full potential of the worker will be tapped, resulting in increased motivation, co-operation and efficiency. Indeed, the quality-of-working-life (QWL) or humanization-of-work concept, being applied in countries like Sweden, U.S., Canada and Australia, has developed largely in response to the need to motivate workers by making work more satisfying. It involves a shift

away from the traditional concepts of management, which value obedience and subordination, and places a higher value on individual workers and groups as critical factors in work efficiency.

The United States provides many interesting examples of innovative approaches to management. Several years ago, General Foods' Gaines pet food plant in Topeka, Kansas, introduced a team production program in which shippers and packers, office workers, and employees in processing, safety and quality control formed cohesive units and rotated jobs. They were called upon to assume greater responsibility and to make decisions with no pre-planned rules. The experiment was a striking success. Absenteeism declined to 2 per cent (well below the average for the industry) job turnover, theft and damage to company property were negligible, quality improved and productivity increased by 40 per cent per man-day. But the biggest item was cost savings of \$2 million a year — 20 to 40 per cent better than for other, 'traditional', plants in the industry. The impressive material gain, however, was not the only benefit — management reported a

noticeable improvement in employee morale and motivation.

Eleven thousand miles away, production employees at a Philips television factory in Australia were organized into small cohesive groups, each responsible for its own output and product quality. In contrast to traditional assembly operations, individual workers were given the opportunity to complete a whole task requiring a variety of operations and the group met with their supervisor only twice a month. In addition, the work environment was designed in consultation with Philips employees and a bonus was paid to each group on the basis of efficiency. The results were encouraging: efficiency targets were reached and maintained, absenteeism dropped from 24 to 7 per cent, and employees expressed positive feelings about the changes in work organization.

Operations based on group principles and labour-management consultation achieved similar results at two other Philips plants in Australia. The company's Melbourne factory making two-way radio systems recorded a 60 per cent increase in efficiency over three years, quality improved significantly and new products were being introduced more quickly and effectively. On the human side, accident rates fell, complaints from the shop floor declined appreciably, employees and supervisors commented favourably on the new work structure. Philips' new approach is based on the premise that job content should "accord as closely as possible with the capacities and ambitions of the individual employee." In other words, what's good for the employees may also be good for the company.

The fundamental philosophy behind QWL is the recognition that

concern for human values must be focused on the workplace, which, after all, is where the individual worker spends the greater part of his waking hours, and where he earns his livelihood. Employees today expect more than material rewards; they want opportunities for self expression, recognition and fulfillment.

Increasingly it is being recognized that the pursuit of such objectives does not conflict with the corporate goal of productivity and profit-making, but rather tends to increase worker motivation and involvement and hence, usually, efficiency and profitability.

A recent study by Reinhold Weil, director of the Institute for Applied Labour Science in Cologne, Germany, found that "group work and group autonomy are now becoming the slogan for new forms of organization in the European movement." His report, published by the International Institute for Labour Studies, notes that autonomous and semi-autonomous work groups (as an alternative to the assembly line) tend to foster co-operation and more intensive interpersonal relations, to permit greater individual initiative and collective problem solving.

The extent of autonomy depends on the number and importance of the functions assigned to the group. These can include decisions about individual production methods, leadership, personnel questions, the division of work, production processes, and group targets for the quantity and quality of production.

Another study, by John L. Burbidge found that group production methods instead of "mass" assembly lines not only contribute to the humanization of work but

also produce major economic advantages.

Professor Burbidge of the International Centre for Advanced Technical and Vocational training in Turin, Italy, found 477 enterprises in 32 countries using work groups with varying degrees of independence to produce a wide range of products. His 18 page report, based on visits to 54 of them, is also published by the International Institute for Labour Studies.

Burbidge notes that the new group production methods come from two different sources: "Some of these groups were formed by production engineers for purely economic reasons but also gained an increase in job satisfaction because the workers preferred the new arrangement to the old traditional forms of organization. Other groups were formed by behavioural scientists, with the main aim of humanizing the work. Most of these cases also achieved economic gains."

Group methods also make it easier to humanize work in other ways; for example, through participative management on the shop floor, and job re-design or restructuring.

Burbidge concludes: "It does seem possible that in group production a new form of organization has been found which will help to solve both economic and social problems."

Weil lists some cost factors, however, for the new forms of work organization:

- Higher expenditures on factory installations, tools, materials and components;
- West German estimates are that unit costs for small-volume group assembly are 5 to 10 per cent higher for manual work and some

30 per cent higher for mechanized work;

- Higher training costs and initiation time;
- Higher production times in some instances;
- In a large number of cases, job enrichment has put workers in higher wage groups.

Nevertheless, "the overwhelming view is that group and individual work methods result in at least the same if not higher output," Weil reports. And almost all firms that have tried the new work forms report a decline in the volume of waste and defects, and lower rates of labour turnover and absenteeism.

Weil concludes that higher costs will be somewhat balanced in the long run by more flexible production, less labour unrest and better quality.


Moreover, one can argue that higher productivity should not be the only reason for humanizing the workplace. Indeed, employers may even have to accept a slight decline in productivity in some instances if they are to restore to workers a sense of dignity and responsibility.

Perhaps the best known example of an attempt to improve the quality of working life on the shop floor is the Volvo assembly plant at Kalmar, Sweden. In order to give the employees a greater opportunity to influence their work environment the traditional car assembly line was replaced by an entirely new production technology. The factory is designed to give small work teams, comprising 15 to 20 workers, their own work areas, which, in fact, resemble small workshops within the larger plant. Each team is accountable for its own part of the assembly work, such as the electrical system, and can decide for itself the division of work between team members and even, to a certain extent, working methods.

It must be added, however, that the experience at Kalmar is mixed. Absenteeism and turnover rates have admittedly declined in comparison with traditional car assembly plants, while the need for supervisory staff has been reduced, and quality has improved. However, against this must be weighed the fact that plant construction costs were 10 per cent higher than for a conventional assembly line and this has not been offset by any corresponding increase in efficiency.

This effectively highlights one of the major obstacles to improving worklife on the shop floor. Both employees and management may be anxious about the *economic* implications of this approach, for wages and efficiency, as well as for initial set-up costs. In addition, workers and their trade unions may be mistrustful of management initiatives, particularly if they appear to be gimmicks designed to raise productivity and reduce costs without corresponding increases in wages.

This is not to say that unions are indifferent to the need for humanizing work, but they believe that the proper way to deal with problems at the workplace is to tackle them one at a time through collective bargaining.

Decentralized management patterns and self-managing work groups present a challenge to trade unions to adapt their ideology and structures to the changing roles of workers and managers, and to develop new ways to inform and train their members. Supervisory staff, who face an adjustment problem when the authority structure is altered and their traditional functions are undermined, also must be retrained for the workstyles of the future. 

G.S.

QWL: Where do we go from here?

A labour-management conference on the quality of working life, at Kitchener Ont., Sept. 22, heard a progress report from Labour Minister John Munro on planning for the establishment of a national QWL Centre, and discussed applications of the QWL concept in the context of Canadian society.

The conference was sponsored by Labour Canada and developed by a steering committee of union, management, academic and government representatives.

Munro said that after consultations with trade unionists, business

leaders and representatives of provincial governments, officials of the department have prepared a draft constitution "and generally have proceeded to the point where what remains now is some commitment from the provincial governments and the Canadian Labour Congress."

From Cliff Pilkey, president of the Ontario Federation of Labour, the conference participants heard both support for the QWL concept and an admonition against imposing QWL programs arbitrarily on workers.

To organized labour, Pilkey said, QWL in the Canadian context relates not to board or factory-level decision making but to the shop-floor — “involving workers in the part of the decision-making process that relates to their own jobs, not to the location of the plant or the product to be produced, but the actual job the workers perform.”

“QWL is not meant to be converted into a scheme for increased productivity and nothing else”

“If workers were made part of that process,” he asserted, “absenteeism and turnover would be reduced and there would be a better work environment. Even more important, it would begin a new method of communication between supervisors and employees, and possibly produce a greater sense of trust.” It is essential, he said, to involve the union in the implementation of any shop-floor QWL programs if they are to be effective.

Pilkey said emphasis on QWL is particularly necessary today because many young workers are unwilling to accept authoritarian management and supervision, and are taking their frustration out in many harmful ways, including absenteeism, alcoholism and

drugs. Munro also asserted that today's more highly educated work force “is less and less willing to tolerate for any length of time dehumanizing work situations.”

A management view was presented by D.R. Brown, vice-president, human resources for Canadian General Electric. To him QWL meant “for people within an organization to manage it collaboratively in such a way that the goals and purposes of the organization are achieved and there is growth in the self-worth of the individual within the organization.”

He said that ‘ambitious’ target is attainable because it is increasingly evident that an organization's productivity increases when people have an increased opportunity to participate in and contribute to the goals of the organization. “In fully effective organizations, organization goals and people goals are mutually supporting rather than conflicting,” he said.

It is urgent, he continued, that any hope of increased real income for Canadians be matched with increased productivity. Canada has become the world's highest per capita importer of manufactured goods, he noted, and is losing an estimated 500,000 jobs a year because of “a steadily increasing proportion of imported manufactured goods that we Canadians are buying instead of ‘made in Canada’ products.”

Brown said that if QWL is to be implemented in an organization, there must be support at the organization's policy-making level — “both a supporting climate and the

“What remains now is some commitment from the provincial governments and the Canadian Labour Congress”

resources necessary to facilitate the change.”

He saw government's role as expanding in the existing body of knowledge — “fostering and coordinating the identification, conduct and reporting of research and other initiatives within the total Canadian scene.”

Dr. Ian Meadows, an assistant professor of organizational behaviour at McMaster University, Hamilton, Ont., said that while QWL ‘could’ be perverted into “a scheme for increased productivity and nothing else,” this is not the way it is meant to work: “If properly carried forward, with union and employees taking part, there is no room for such tricks.”

Munro said several successful QWL experiments in Canada have increased both productivity and job satisfaction: “By allowing for more shop-floor democracy, employers have found that their organization is able to do more with less, to be more effective, and to have more flexibility.”

“In a time of stiff international competition for product markets, such a condition cannot but help to improve our employment prospects and over-all economic performance. Hence the needs of the individual, the organization and the nation are served by the implementation of QWL principles. [g]

R.L.

Worker directors and company law

by Frank R. Anton

Literature dealing with the possibility of introducing worker participation in North America has given little attention so far to the functions and responsibilities of worker directors in the board rooms of limited liability companies, and to the changes in corporate law that would undoubtedly become necessary if employees were to be accommodated on company boards. The aim of this paper is to discuss *in general terms* some of the possible implications for organizational structures should a decision be made in favour of employee representation on boards of directors.

Company law in North America traditionally gives shareholders the right to appoint directors, thus the question arises, how would *worker directors* who are *not* shareholders be accommodated? More complex and controversial is the issue of the legal duties of directors to act in the best interests of the company, and whether this can be narrowly interpreted to mean the best interests of shareholders alone or extended to include other groups such as employees and customers. Similarly, would employee representatives on boards be expected to place the wider interests of the company and shareholders above those of their constituents when these interests do not happen to coincide? It will be seen that a system of codetermination may inadvertently give rise to legal impediments that need clarification.

North American corporate law is based on the assumption of private ownership, with control of the company residing with the

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owners in their capacity as shareholders. The law grants shareholders the collective right to participate in the voting to elect directors, thereby giving them a say in the management of the company. They also have the right to share in the company's profits (declared as a dividend by the directors) and in the assets of the company in the event of dissolution. Collectively, shareholders appoint the company's auditors and accept or reject bylaws or articles of association passed by directors in the course of the year. While companies are governed principally by their own by-laws they are also bound by the overriding dictates of corporation law. It should be noted, however, that the mere ownership of shares in a company does not automatically give a person the right to intervene in the management of the company.

Almost invariably, shareholders delegate the management of the company to appointed officers. This delegation may be revoked by changing the by-laws or dismissing those appointed. Shareholders' authority to appoint auditors, approve compensatory payments

...supervisory boards have no managerial functions, they...possess important supervisory powers over management.

to directors for loss of office, agree to changes in the capital structure and place the company in voluntary liquidation cannot be delegated. In practice, however, unless the shareholders are sufficiently organized, they usually exercise their powers on the advice and initiative of the board of directors.

The order of authority in a company descends as follows: shareholders, directors, executive officers and employees, with the shareholders having the sole right to elect — or remove — directors. Most provinces in Canada insist that there be at least three directors, although Alberta, British Columbia, Nova Scotia and Saskatchewan allow for two. When there are more than six directors, they may, with the shareholders' permission, elect an executive committee from among themselves, with decisions of the committee subject to review by the whole board.

A main characteristic of company law in Canada is its flexibility, keeping interference in the organization of companies to a minimum. True, the legal framework is established but there is little dictation of the structure that limited liability companies must follow.

Company directors have a number of legal duties and responsibilities in addition to those conferred on them by company by-laws.

Fiduciary duties require directors to act in *what they believe to be the best interests of the company*

they serve. To achieve this, outside interests that interfere or conflict with corporate responsibilities should be minimized, and no unapproved (secret) profit should accrue to directors from holding office. Conditions surrounding insider trading in company shares are well protected by law in contrast to the weak conventions governing confidential corporate information.

The degree of care and skill directors are expected to display in carrying out their duties is far from clear. Before worker directors are appointed to boards the law would need to be clarified for the benefit of all concerned to reduce the possibility of directors inadvertently committing such acts as negligence, misfeasance or fraudulent trading.

Whatever model of worker participation is contemplated in Canada, of particular significance is the corporate requirement that directors act in what they believe to be "the best interests of the company." Theoretically, corporate shareholder and employee interests may be said to coincide. In practice, however, this may not be so, particularly in the short run, when for instance the question of redundancies may arise should a decision be made to substitute capital equipment for labour or to close down a branch plant in the interest of efficiency.

Clearly a new approach is needed requiring directors to consider employees' interests. But in any event, where worker directors (whether union or non-union) are appointed to boards it would be highly unrealistic to expect them to pay sole regard to the best interests of the company to the exclusion of their fellow workers' interests. Given the scope for diversity of values among directors of different economic back-

grounds, how far their duties should be specified in law or promulgated in the form of general guidelines becomes a highly controversial question.

Corporate by-laws are the detailed rules governing companies' day-to-day operations. They embody official policy binding the actions and decisions of directors. Power to originate by-laws lies with the directors but they must be confirmed by a majority of the shareholders.

...it may be better to operate within the present flexible system rather than impose rigid or inappropriate legal formulae

There are three main categories of by-laws:

- (1) by-laws of general rules of application or operation,
- (2) by-laws authorizing changes to the incorporating document, and
- (3) by-laws conferring on directors shareholders' authority to undertake specific transactions not covered under (1) above.

In practice, however, there is great diversity in how companies reach decisions, and in the size, composition and functions of boards of directors. The law may specify the minimum number of directors but it does not state the maximum. Thus the size and composition of boards vary widely, depending on corporate needs, although as a general rule they tend to be proportionate to corporate size.

Since the role of a board will tend to correspond with the size, organizational structure and type of product (or service) of a corporation, it is impossible to generalize on the part boards play in

corporate decision making. Evidence suggests that the structures of boards may range from those found in small companies, where executive boards of managers may be actively involved in all aspects of the business, to the decentralized groups of large corporations, where types of "holding company" boards appoint top management and allocate funds but delegate day-to-day operations to divisional boards of directors.

Should board-level worker participation be introduced in Canada, some general guidelines may be helpful in establishing which board in a multi-board corporation bears ultimate responsibility for such important matters as the appointment, remuneration and dismissal of top management; company plans, objectives, investment and expenditures; and, within the context of industrial relations, the approval of overall employment policies, including perhaps decisions on extensive layoffs and redundancies. Alternatively, where the boards of large companies delegate considerable responsibility to formal management committees composed of executive directors and divisional managers, the powers of such committees should be specified.

Evidence regarding the role of non-executive directors on boards and in corporate decision making is hard to come by but the general opinion is that they primarily serve as custodians of shareholders' interests and as independent advisors on general corporate policies. They may also be appointed in order to lend prestige to companies and because of their special knowledge of, and influence in, the world of labour, management and government.

Analysis of Canadian corporate structures has led some observers

to conclude that they cannot be categorized. Theoretically, however, it may be agreed that these tend to be unitary, although in many instances the dichotomy between theory and practice may lead large corporations to adopt what is in effect a *two-tier system* (remotely akin to some West European models) with ill-defined powers, where the functions of supervision and management are shared at different levels of the enterprise. Technically the power of initiative over decision making may be retained by a main board.

The important issue here is not the structure of boards of directors but rather the locus, magnitude and importance of decision-making functions in the company in the event that employee representatives are called upon to participate. At which level and on which board or committee would worker directors have the opportunity to express views on, and have a say in, decisions that affect them? Moreover, crucial to the controversy surrounding worker participation is the question *whether employee involvement in the decision-making process can best be achieved within the existing framework of Canadian company law or through a revised two-tier system, along West German lines, of a supervisory and a management board, each with carefully defined powers*, or even by adopting a modified Danish model, which recognizes overlapping jurisdictions between supervisory boards of directors and management.

Insofar as company law and practice in Canada are tolerably consistent with or may be modified to accommodate the principles of *effective* employee representation on boards of directors, it may be better to operate within the present flexible system rather than impose rigid or inappropriate legal

...the introduction of a two-tier system in Canada need not follow the formal West German approach.

formulae that may prevent companies from devising structures best suited to their purposes. This is not to suggest that the law remain unclarified regarding the role of boards and their relationship to shareholders, management and employees. Introducing worker participation at the board-room level without clarifying the present system could mean that employee representatives on boards have the illusion of influencing decisions that in effect are made either by shareholders or management committees. Moreover, it would be unfair to ask management to accept worker directors on boards without defining the role and functions of such newly constituted bodies. The authority of management and their responsibility to these boards must be formally spelled out along with any restrictions on their discretion to take executive action in the absence of policy guidelines.

It will be clear from the foregoing that if it is agreed that industrial democracy could be served in Canada by accepting the principle of worker participation in managerial decision making, then in addition to attitudinal changes some ideological changes in company law and practice would be called for to accommodate those employee representatives who are elected to serve on boards of directors as *direct representatives* of their fellow employees, and who are free from dismissal at the whims of the shareholders. Two problems arise in obtaining corporate efficiency in light of this new relationship between labour and capital: (1) how best to

balance the interests of employees and shareholders so that the former can make a genuine and useful input into corporate decisions while the latter retain a say in how their investments in the company are managed; (2) how to achieve the desirable objectives subsumed under (1) with the minimum of legal and government intervention.

Given the interest in, and success attributed to, the West German system of worker participation, it is inevitable that debate will centre on the merits of that country's *statutory* two-tier board structure compared with the existing unitary North American system, which, with appropriate modifications, may fit a Canadian or U.S. model of worker participation. The distinction between the two systems is at times clouded in view of the emergence of a *de facto* two-tier system in large companies in Canada, but it should be borne in mind that in West Germany the law is unequivocal in establishing two tiers of corporate control: the board of management and the supervisory board, on which employees are represented. The functions of each are detailed in law, with supervisory boards consisting of equal employee representation required in all companies employing 2,000 or more workers.

Although supervisory boards have no managerial functions, they nevertheless possess important supervisory powers over management. They appoint management boards, scrutinize company accounts and accept responsibility for all major policy decisions. Their powers of intervention are, however, circumscribed in that they cannot arbitrarily dismiss members of boards of management without cause before the expiration of term, and in that their veto rights over certain transac-



'Yes, yes, I know we have problems in the production department, but I'm more interested in whether you felt much was lost in the English translation of Thucydides' "History of the Peloponnesian War."'

tions may be overruled if management can obtain the support of 75 per cent of shareholders. *Both boards are responsible to the company, not the shareholders.*

The substitution of a modified form of the West German two-tier statutory system for a unitary one might lead to instances where two different and separate corporate procedures could prevail. This could happen if some small companies with say fewer than a specified number of employees were not required to adopt worker participation or where unions were unable to agree on the principle of the system (and therefore did not request it) or failed to obtain

sufficient support for it from their members.

It has been argued that the introduction of a two-tier system in Canada need not follow the *formal* West German approach. It is thought that an *informal* system comparable to the more flexible Danish model could become operationally functional within a North

A main characteristic of company law in Canada is its flexibility, keeping interference in the organization of companies to a minimum.

American context (given a high degree of goodwill). But before we adopt even the less formal Danish approach, a number of aspects deserve our careful consideration.

For instance, there may be demands that the separation of supervisory board responsibility for strategic policy and supervision of management from those of managerial decision making be legally specified along with the respective functions of each board. To attempt to codify these functions and impose unfamiliar regulations on the highly flexible and pragmatic Canadian system might be detrimental to managerial efficiency. Interposing separate managerial and supervisory functions bearing little resemblance to the corporate structure which had evolved over the life of the company could be disruptive and might ultimately become inoperable. Evidence from France suggests that the introduction of an *optional* two-tier system in that country has had only limited success, due primarily to friction and conflict between supervisory boards on the one hand and management boards — which tend to be controlled by shareholders — on the other. It is important to note that the West German system of two-tier boards evolved over decades — long before worker participation was considered — in response to shareholders' demands that they be allowed closer supervision of management. The corporate structure there thus developed within this legal framework before representation became an issue. To attempt to graft that kind of inflexible two-tier system on to an entrenched North American system might frustrate the endeavour to improve industrial relations, and inadvertently enlarge managerial prerogatives by its mere inflexibility. For these reasons, the less restrictive Danish two-tier system seems more ac-

ceptable within a Canadian or U.S. context. It permits supervisory boards to intervene in managerial board functions while clearly recognizing overlapping jurisdictions. It falls well short of allowing the top board to intervene in day-to-day management functions, however.

Boards of directors in Denmark (including employee representatives) are responsible for the management of companies and take part in management *via* management boards. Members of boards of management operate according to guidelines and instructions from the boards of directors, *subject to certain provisions designed to promote efficient decision making within each enterprise*. The intent is to ensure that supervisory boards are strong enough to influence managerial decisions while still allowing managers to manage. Moreover, having employee representation on top boards of a two-tier system avoids the problem of a unitary system, which may give worker directors too much contact with day-to-day management.

Irrespective of whether a two-tier or a unitary system of employee representation is followed in Canada, if worker directors are to have a voice in company affairs, the role and functions of boards of directors will need to be clarified so that final decisions on major questions of policy are not taken outside of boardrooms or overruled at shareholders' meetings. It would therefore be desirable to specify more precisely in law at what point corporate decision-making powers would rest with boards of directors, under what circumstances the latter would be allowed to delegate authority to top management and which kinds of boardroom proposals shareholders would be given the right to accept or reject.

There are several important functions normally considered the sole responsibility of boards of directors. These include the dissolution of the company, changes in the articles of association, decisions re payment of dividends, modifications in the company's capital structure and the sale of assets, disposition or allocation of resources, and all aspects of top management's terms of employment.

Clearly a new approach is needed requiring directors to consider employees' interests...

Reserving these functions for consideration by directors would not call for any substantive changes in the current procedures of most companies. However, there are implicit changes relating to functions attributed to boards, which, when specified, might restrict management's right (but not initiative) to act unilaterally where ultimate responsibility resides with boards. Such constraints might not represent major changes for many companies in Canada since most important corporate matters are invariably referred to boards of directors for final decision. The significance of codifying these board functions lies in protecting employee representatives from dictatorial attempts by management to bypass their boards.

Acceptance of the above suggestions need not negate the power of boards to delegate authority to management. Delegation is essential for corporate efficiency. Prior agreement on whether an important issue such as collective bargaining will be undertaken at the shop steward-middle management or top-management levels or

dealt with initially in the boardroom would need to be reached.

The expectation is, however, that in order to accommodate employee representatives on boards, the onus would rest with newly formed boards to decide whether matters previously delegated entirely to management are to be discussed in boardrooms before decisions to delegate are made. No doubt difficulties would arise in establishing guidelines on which policies and matters are considered of sufficient importance for board review and decision and which properly belong to management. Eschewing the codified West German approach in favour of flexibility would permit each company to devise its own participation techniques best suited to the circumstances.

The relationship between boards of directors and shareholders would be modified under the above proposals as the traditional synonymy of shareholders and company ownership changes. The power of shareholders to overrule board decisions on matters important to employees and management would no longer be unrestricted. Worker participation implies a partnership between capital and labour (rather than an adversary relationship), with management acting as the go-between yet serving to promote the interests of all parties. To illustrate, not only shareholders but also employees are affected by changes in a company's articles of association, capital structure, payment of dividends, sale of assets or dissolution of the business. Instead of decisions on these matters being an exclusive prerogative of shareholders they would now require consultation with boards, since it is improbable that employee representatives (particularly if their constituents are represented by strong unions)

would find the status quo acceptable. But these proposed changes may not in fact be as drastic as they seem. Current practice among progressive companies is for all concerned to consult with each other on most important corporate matters.

Formalizing this consultative mechanism by specifying how power to take decisions between boards and shareholders will be distributed would be advantageous. Most companies in Canada include in their articles of association provisions empowering the directors to originate by-laws (subject to confirmation by a majority of shareholders) and to declare dividends. Minor amendments would bring the law into line with reality. Shareholders could retain veto power over board decisions but they would be unable to take an unusual step such as initiating major policy changes without prior approval of a board. It is worth noting that in many states in the U.S. shareholders do not possess the sole right to decide certain important matters of corporate structure or policy; proposals emanating from boards of directors are approved or vetoed or require approval of both before a decision is agreed.

Worker participation would of course reduce shareholders' power of control over board appointments in that a proportion of these appointments would not be made by the employees. Apart from this change, the power of shareholders to appoint directors would remain

substantially the same.

With employee representatives on boards of directors, it would not be unreasonable for both representatives and constituents to expect some statement of basic duties required. Whether these duties should initially appear as guidelines that may subsequently be codified is an open question. Flexibility and perhaps a period of experimentation are called for while worker directors gain experience. All directors should have the same unequivocally stated duties and responsibilities.

...it would be unfair to ask management to accept worker directors on boards without defining the role and functions of such newly constituted bodies

This does not preclude worker directors from taking into account the interests of their constituents, however, although it should be made explicit that voting in a particular way on trade union instructions would be inimical to the cause of industrial democracy. By striving for the objectives of corporate efficiency and economic viability, directors would advance the interests of all concerned.

Employee representatives would no doubt be expected to report back to their constituents. Directors' reports, audits and other pertinent documents available for shareholders' inspection should

therefore be made available to employees. European experience indicates that these are essential steps for the success of worker participation and that one of the major advantages of representation lies in the more general acceptability by workers of decisions that have been reached by boards that included employee representatives. Reporting back inevitably raises the question of confidentiality and whether legal restraints should be placed on the right of worker directors to disclose classified information to their colleagues. Most West European jurisdictions now make it mandatory for companies to disclose information to trade unions in the belief that the resulting benefits of increasing confidence and understanding between management and workers far outweigh the potential cost in terms of breaches of real or assumed confidential information. The rules of confidentiality can always be invoked when warranted while still providing for the release of confidential information where relevant to collective bargaining. Evidence from West Germany and Sweden suggests that the question of confidentiality — considered highly contentious when experiments with employee representation were first introduced — turned out to be insignificant. Any system of industrial relations is not without its difficulties. Worker participation is no exception. Would it be too much to hope that many of the anticipated obstacles may turn out to be illusory were worker participation to be introduced in Canada? [9]

The worker director and role conflict

by John Bank

Pooh-Bah: *"Of course, as First Lord of the Treasury, I could propose a special vote that would cover all expenses (of your wedding), if it were not that, as Leader of the Opposition, it would be my duty to resist it, tooth and nail. Or, as Paymaster-General, I could so cook the accounts that, as Lord High Auditor, I should never discover the fraud. But then, as Archbishop of Titipu, it would be my duty to denounce my dishonesty and give myself into my own custody as First Commissioner of Police."*

Ko-Ko: *"That's extremely awkward."*

W.S. Gilbert, *The Mikado*

"How you feel inside is important. You go into a board meeting and all the evidence is put before you for demanning. You know specifically that such a decision will cut a crew back from eight to six men. Experiencing that, you then walk out of the meeting and later in your role as plant secretary for your trade union you get word that they are going to demand and you have to fight it and say it's bloody well not on. It gets a bit awkward because you're the same person."

A British Steel Corporation worker director

In an attempt to avoid role conflict during the first four experimental years of the British Steel Corporation's worker director scheme, 1968-1972, the worker directors were required to relinquish their trade union offices before appointment as directors.

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Nowhere else in Europe were worker directors required to resign their trade union posts. It was a mistake, as the Bullock report pointed out earlier this year: "It had the effect of alienating employee representatives from the unions and the union membership, and when the scheme was revised, the requirement that employee representatives on the board should not be union office holders was dropped."

"Initially, it seemed that no one connected with this employee director experiment could give us any clear lines as to what our actual role should be," one of the worker directors recalled. "And because of this, we were left to develop it to the best of our ability."

"I took more of a hammering from management than I did from the trade unions," another man said. "There was a measure of goodwill with the trade unions. I could still go to my branch meetings and to the joint committee and things didn't change much."

"The conflict comes home to you when you're at a meeting with trade unions and management there...but there's no way you can forget that you're a trade unionist first."

"Management below board level couldn't understand how we could have a relationship. These men were the ones I had dealt with as a union representative. They became unsure of themselves, realizing that I now had access to levels of information they didn't have. They resented this and felt they had an equal right to have this information, possibly a greater right. They gave me a real hammering."

"I admit it is a bit awkward. One day the department manager is my boss and I have to carry out his instructions like other workers. The next day I'm off to a board meeting, and it's a meeting he'd love to go to. All this while, it never occurred to us to say: 'Let's sit down and see where we stand and what our relationship should be in this new order.' I had mistakenly assumed that life would go on just as normal for me. I didn't allow for envy, jealousy and bitterness."

Conflicts from an ill-defined role, the resignation of trade union office, the suspicions of shop floor workers, the indifference of trade unions, and open hostility from some quarters of management, gave the original 12 BSC worker directors a trial by fire. They survived. Today there are 17 worker directors at divisional level and one on the corporation board. A division encompasses as many as 90,000 employees and none fewer than 46,000.

Twelve of the 17 BSC divisional worker directors now hold elected trade union office. The offices range from "committee man" to

"branch secretary", "convenor of shop stewards" to "national president". Only four of the 12 union office holders admit to experiencing role conflict as an employee director and a trade union official.

Role can be defined as, "the actions performed by a person to justify his occupation of a position" (which is usually imprecisely defined). Role conflict results from the necessity for someone to fulfil one or more roles in the same situation. The conflict can arise within the role itself when the role expectations are unclear or incompatible for the role. Or roles themselves may be in conflict.

...the employee director's role goes beyond that of an expert. He is also a representative.

Role conflict (conflicting roles) differs from role incompatibility, which involves conflicting expectations. Role conflict also differs from role ambiguity, which occurs when there is some uncertainty as to a person's role at a precise time. (Job descriptions are supposed to lessen role ambiguity, but they usually offer only partial role definition.)

A few of the worker directors who hold union office say they experience role conflict when their two roles — that of director and worker representative — collide. Is it possible to be both a company director and shop steward?

"The conflict comes home to you when you're at a meeting with trade unions and management there. You're trying to get a point across when someone from the shop floor challenges you as to which side you're on, but there's no way you can forget that you're

a trade unionist first," one worker director said.

"You tell the men it's being discussed and it's confidential," another worker director said. "You say you'll let them know as soon as it becomes available. And when it does you make your peace with the men. People say what a conflict you must experience from all the pressures that are on you — loyalty to this one, to that one. I am not unduly worried about conflict, because a good manager and a good employee director become adept at handling conflict."

But another man admitted: "I haven't reconciled the role of being employee director with being a senior trade union official. It's very difficult to convince the shop floor that you're doing your damndest to influence the board to give them the best possible working conditions and pay."

"Being twin-hatted isn't a problem for me," another man said. I believe that if you can't ride two horses at once you don't belong in the circus. There's a role to be played as an active trade unionist and a role as an active employee director. I can't see any conflict between them. Once we talk about conflict we're going the route of 'them and us'."

A few examples illustrate the divergence of views employee directors have about having a dual role as an employee director and a trade union officer.

One employee director who is also the national president of his union feels no role conflict as such. His major conflict in performing both duties comes from lack of time to do two demanding "full-time" jobs.

"I have no divided loyalties. As an employee director I look after the

interests of all employees, from the sweeper up to the chairman; as a trade union leader I look after my members' interests. The knowledge and information I acquire from both positions I hold is used effectively to achieve the most efficient industry possible, for the benefit of the people who are employed in it. The steel industry after all belongs to the people who work in it, and the employee director or the trade union leader's job is looking after people. To do this well you must be *involved* in the running of the business."

"All roles are cages, but some roles are cagier than others."

Two employee directors were in the position of being barred from trade union office by their own national unions. One of them had actually been elected to office by his branch and later had to resign. The other was kept from being elected branch chairman by his national union's intervention.

He had been a member of his union's national executive committee before resigning to become an employee director with the original group. "It would be nice if my union did the same as the rest and permitted me to hold an official position. I would probably opt to be, if at all possible, the branch chairman or a committee man, but not the delegate.

"I got to branch meetings where the men looked at me as a sort of elder statesman," he continued. "I have clearly indicated to the official and the delegate that they have my whole-hearted support provided they work by the union constitution, and my full-time official knows this. But not holding

union office doesn't stop me from going upstairs to meet management on a union deputation."

A third employee director is a bit of a maverick in that he deliberately chooses not to hold union office. As one of the original employee directors, he was required to relinquish his trade union positions as staff branch secretary to the trade group, and executive member. But when the ban was lifted he never sought union office again. Part of the problem of trying to do both he feels is linked to the multiplicity of unions in the steel industry (there are 15 major TUC-affiliated unions).

"In the absence of one union, I have grave doubts that the holding of union office by an employee director will further the cause of participation," he said. "I can hold office in only my own union. It would not be practicable for me to be equally involved with all the unions within my area. I should lose credibility if I were seen to be unable to influence decisions in favour of all the unions, not just my own. If I am to make a good job of being an employee director I must remain credible — with everybody: employees, unions and management.

"At the moment my role as employee director can take me into all levels of discussion, which is most helpful in understanding the day-to-day management of an industry. Holding no union office, I am able to talk and discuss with management without fear or favour. My status does not depend on and is not influenced by my holding union office. If I were a member of a union's negotiating team I could make use of information available to me in order to win a case. This possibility would be bound to make my relationship with management suffer, and my ability to perform a meaningful

We all want to see retired citizens living in security, dignity and comfort

role in general terms as an employee director would be reduced."

Most men view their dual role as employee director and trade union delegate totally differently from the man quoted above. "I was appointed delegate from my branch" one man said. "I went with a deputation and reached an agreement which was absolutely satisfactory to the branch. During the three or four long periods of negotiations to reach that agreement, my employee director's responsibilities never came into the reckoning in any shape or form. I have always held the view from that very first experience that this dual role is something that can be done and should be done."

It is not simply a matter of wearing two hats — the trade union official's and the employee director's. There is a role conflict built into the post of employee director. In what capacity is he a member of the board?

"I'm an expert on how shop floor people think and react," one man said. "Unless I can project their feelings and opinions, I'm valueless."

If he is on the board as an *expert*, he acts as an advisor on matters affecting employees' interests. He gives his opinion on how employees will react to various proposals. In this role the employee director is no different from other directors who are there for their expertise to advise the board on financial or technical matters. His specialty is knowing how employees feel and think.

But the employee director's role goes beyond that of an expert. He is also a *representative*. "Actually you're there because you've been appointed to the board after going through a selection process. So, as an employee director you're a representative of the employees, just like you're a representative in joint consultation and in collective bargaining" one man said.

"The engineering director is not representative of anyone," another added. "He gets paid to do a technical job. But employee directors are not in the same category; we are representatives. As such we have the right to dissent on certain decisions and have our dissent recorded. I don't think we have the right to resign, the way a delegate would. We must look after the interests of the employees."

The question is whether pension systems as they now exist can do the job — and at a price individual Canadians, employers and governments can afford

As a representative on the board, the worker director's role is analogous to that of a major institutional shareholder, which has a board member to protect its own interest. His interest, of course, is the employees' welfare. The employee director is also like a member of Parliament, a representative who ultimately has the freedom to make up his mind on the issues and then has to report back to his constituency.

The worker directors do not consider themselves to be delegates, for delegates are mandated. They carry no specific mandate from the employees and have not been mandated by the trade unions,

even on controversial issues like closures. Since the outset of the worker director experiment, the BSC worker directors have been defining and expanding their role against the corporation's retrenchment. By the early 1980s, BSC plans to have increased its steel production from about 24 million tons to between 36 and 38 million tons a year, while cutting back its workforce from its present level of about 215,000 to 180,000. It will concentrate steelmaking on six major sites compared with 30 in 1970.

The question of resignation is not clear, but most employee directors feel that the TUC Steel Committee would have the right to ask them to resign over a major issue of conflict between the committee and the BSC.

Such a case occurred in late 1975 when the corporation told the trade unions they intended to terminate unilaterally the guaranteed work agreement in order to try to reduce labour costs. (The corporation claimed that it was losing over £1 million [about \$1.80 million] a day.)

"If the guaranteed-work dispute had reached the point of complete breakdown between the TUC steel committee and the BSC, and all co-operation from the unions had been withdrawn, they could have expected us to hand in our resignations," one man said. "If this had happened (it didn't), there would have been no doubt in my mind what I would have done. My resignation would have been in the first post the following morning."

All the BSC worker directors feel the executive committees of their own particular unions do not have

Labour and management frequently disagree over the cost of certain pension improvements

the right to demand their resignation. They fear it could be a matter of personalities. Since the individual employee directors are nominated for four-year terms through their own trade unions, they feel that they should be permitted to serve that term and then have to face the judgment of their "electorate" again. However, they do agree that in certain circumstances the TUC steel committee and the chairman of the corporation could, by a joint decision, remove any divisional level worker director from office.

Having the dual role of director and trade union leader can have its pay-offs. During the 1974 coal strike that brought down the last Tory government, a worker director was worried about damage to his steel plant. "We needed this particular coal from the Derbyshire area for our boiler plant," he recalled. "The branch secretary and I got ourselves invited to a general meeting of the striking miners in that area. At first we got a few boos and jeers. But after putting our case, they said yes and fetched sandwiches for us from the strike kitchen. The lorries were lined up and pickets from that area rode shotgun on their lorries to bring us the coal in South Yorkshire."


In analyzing attitudes toward the idea of worker directors in the BSC, a team of researchers in 1971 found that union stewards in the steel industry were the most in

favour of the idea (88.5 per cent). Employees in general were next (74.6 per cent). Then came full-time union officials (65 per cent), directors (56 per cent) and lastly managers, with only 42 per cent in favour of worker directors.

There is no more up-to-date information to demonstrate whether, with the passage of time, the worker directors have become more or less acceptable to managers and employees. My own work has been focused on talking to the worker directors them-

A major examination now is being made of the private and public pension systems

selves. And *they* feel they have coped well with the conflicts in their roles. "O.K. there is sometimes a conflict between my job as a trade union representative and as a board member but this type of situation is nothing new to a branch trade union official who is also a member of his executive council," one of the worker directors summed up. "We all soon noticed at the board meetings that on many issues other directors who also had executive responsibilities for a particular function or plant, often had divided loyalties. So what is all the fuss about? The important thing is to be honest to the members one represents, the board on which one serves, and oneself."

That seems a fair enough assessment. The only missing bit can be supplied from graffiti on a steel plant wall: "All roles are cages, but some roles are cagier than others." 

Local unions in the fight against alcoholism

by Dieter Schachhuber

This article was prompted by the paucity of material available to local union members and officers which would explain their own role in the fight against alcoholism.*

Again and again, local members ask the question "What can we do, how can we deal with the problem at our level?" The literature is vague or silent on this question, even though much has been written and said about the role of unions in joint labour-management alcoholism programs.

Some of the suggestions made here about the role of the local union may appear at first glance to be controversial. Certainly many go beyond what is being done now. However, they were developed through discussions, seminars, and workshops in which local members and officers freely expressed their opinions. Thus, these comments and recommendations appear to be acceptable to a large number of union members, even though union involvement in formal programs seems to be more tentative than suggested here.

Many local unionists feel responsible for a good work environment and good human relations at work. When these are disrupted they want something done. However, too often this is seen as manage-

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ment's responsibility, especially since national and international unions and their organizations have done little to help local unions to deal with the problem.

The fight against alcoholism has been out in the open for some time. Diagnosis and treatment are becoming increasingly available, while ignorance and condemnation of alcoholism and alcoholics are no longer acceptable. Management, governments, social and health agencies have long realized the social and economic costs and have accepted that the benefits of rehabilitation by far outweigh its costs. Thus there has been a strong economic impetus toward alcoholism rehabilitation. This impetus has been lacking in the unions, because they do not bear the same economic burden, and can only be persuaded by less powerful social, moral, and personal arguments. Consequently, union involvement has been more tentative and usually lags behind management and government initiatives.

The problem is compounded by the fact that much of the written material available is directed to managers, experts, program administrators and social agents. Some of the literature is concerned with policies and programs of interest to union leaders. But most of the

information on alcoholism generally available is of little or no help to the co-workers of a presumed alcoholic employee. This is where many programs fail, because the local union member or officer is a vital contact that is not used properly. Many union members care about the problem of alcoholism, have some vague knowledge about it, want to help, but lack concrete guidelines about their own personal role. The responsibility to make decisions about the rehabilitation of alcoholic workers usually rests with someone other than the local union and its members. This is especially true in large organizations where both union and management decisions are made away from the work site. However, it is the local member or officer who has to live with the problem, is most affected by it, and may be in a good position to help solve it.

The purpose of this article is to provide some guidelines that may be of use to local unions, which have found it difficult to put alcoholism programs into practical effect. They may have different characteristics but they all have one thing in common: they lack guidelines and concrete information for helping members with an alcoholism problem. They must learn about their own role, and their relationship with management, as well as with the alcoholic employee.

Managers and government officials no longer need to be convinced that alcoholism cannot be ignored.

* The term "alcoholic" in this article is used in the sense of "presumed" alcoholic, or "problem employee". Neither management nor the union should assume that any problem is necessarily tied to alcoholism. A diagnosis may only be reached by qualified personnel even though all the external signs may point to a drinking problem.

The social and economic costs are simply too high. Programs may still be inadequate, and their benefits not fully understood, but the trend toward more and better programs is clearly established. The success of many, however, can be enhanced if local union members and officers, the co-workers of the alcoholic, co-operate. How can local unions be convinced that they have a role to play?

In the "good old days," when alcoholism was a "sin," the moral argument could be invoked. The sinner had to repent and anyone who helped was helping to save a lost soul. Unfortunately, the moral argument has never cured any alcoholic, nor has it successfully convinced everyday working people that they ought to be concerned with the plight of the alcoholic.

Social values have changed enough to make drinking commonly acceptable, and alcoholism no longer sinful. But a certain stigma remains. The alcoholic too often is seen as weak and lacking in self-control and social graces. Alcoholics "must recognize their problem and help themselves," is the common argument. This leaves everyone else off the hook. Fortunately, this attitude seems to be short lived because it is increasingly obvious that alcoholics cannot help themselves, which is precisely why they are alcoholics.

Thus alcoholism is now identified as a disease — beyond the control of the afflicted individual. Therefore the alcoholic employee should get the same help, consideration and treatment that is given to any other sick co-worker. Everyone is sympathetic toward the sick person, but only medical professionals can provide diagnosis and treatment. Normally the sick

...union involvement has been more tentative and usually lags behind management and government initiatives

person will seek medical advice and treatment with little or no encouragement from anyone else. The alcoholic does not. And this is where the alcoholic becomes everyone else's problem. The problem is not that treatment is not available, but that it is not accepted voluntarily. Of course, co-workers would find it most easy to ignore the problem, to ostracize the alcoholic employee, and to wait for someone else to do something. But the local union, its members and officers, can help to get the alcoholic to accept advice, diagnosis, and treatment.

Why should they help? Union members do not have the same economic incentives that motivate the employer, nor can they be aware of the social costs that underlie government programs; but they themselves benefit substantially from the rehabilitation of alcoholic co-workers. This has to be the main argument for getting involved in alcoholism recovery programs. Where any union member has a problem with alcoholism, everyone around is affected. The alcoholic employee inevitably becomes the centre of trouble. Work-related problems develop even before the social and medical effects become obvious. Work deteriorates, performance suffers, productivity varies wildly, quality goes down, mistakes and cover-ups increase, safety problems may arise, co-operation becomes difficult. The alcoholic worker becomes unreliable and unpredictable. The performance of the whole group of workers associated with the alcoholic may be impaired. Any slack, any mistakes,

have to be made up by others if the performance, and, coincidentally, the reputation of the work group are to be maintained.

This can happen in any work situation, be it on the shop floor, in the accounting office, the typing pool, or in the executive suite. In addition to work-related problems, social strains will develop, reducing performance and the quality of work life further because of their effect on other workers. Friendliness, co-operation, and openness will be disrupted by suspicion and defensiveness. The reputation of the work group may suffer, energy will be lost in fixing the blame for problems instead of solving them, and work becomes a strain.

If it were not for the stigma attached to alcoholism such situations would rarely be permitted to develop. The cause of the problem would be determined and corrected or removed. If an individual is responsible for the trouble, management, co-workers, and union officials would take action to change his or her behaviour. But because few people at the work site know what to do about alcoholism, the problem is often allowed to develop to the painful stage at which drastic action is required. Often the faults and mistakes are covered up, both by the alcoholic and the co-workers. This covering up can only worsen the problems of the alcoholic. But in many cases co-workers have no other means of coping with the problems caused by that person. They remain unsolved until the problem employee is removed from the work site. This, of course, helps only the co-workers, but condemns the alcoholic to the worst consequences. And the problem recurs with every individual alcoholic.

Solving the problem constructively

is difficult under the best of circumstances. If the local union takes the initiative the strain will be great; coping with the alcoholic is a heavy personal burden. Personal relationships may be disrupted. There may even be charges of squealing or selling out. The alcoholic, until he or she accepts advice, will resist, and this may lead to arguments and animosity. Anyone involved carefully needs to weigh the long-run costs of doing nothing against the short run costs of sticking their neck out and taking action. Often management is first to take the initiative, but that cannot relieve local union members and officers of their responsibilities.

Just as management is concerned with productivity and profits, the union is concerned with the safety and welfare of its members. To this end, the union ensures good working conditions, a healthy environment, constructive relationships at work, and co-operation among union members. When these efforts are undermined the union must take action or it is derelict in its responsibilities. The

local union cannot in good conscience ignore problems or rely on management to solve union problems. Therefore, to do its job properly, the local union must act not only in the interest of the problem employee, but also of all other members, i.e., those who are affected by the presence of an alcoholic co-worker.

Teamwork and co-operation characterize most union activities. This also must apply to any action concerning alcoholism. No indi-

The problem is not that treatment is not available, but that it is not accepted voluntarily

vidual can be expected to assume the burden and the responsibility for helping an alcoholic. Even when an individual does attempt to approach or confront the alcoholic, success will be very limited. Personal involvement should be left to family and close friends.

Union representatives do not speak for themselves, they represent their members. The function can best be performed through a committee charged with membership welfare. It should not necessarily, or even preferably, be called an "alcoholism committee." Such a committee can deal with personal, social, health, and family problems of *any* kind, and will develop some of the necessary skills over time. Most importantly, a committee gives its members the strength to deal with difficult problems. The committee approach avoids personal confrontation, makes sure that no individual goes on a witch hunt, permits checks and counterchecks and verification of facts by more than one person, and protects individuals from any unfair charges. Because of the openness of the committee approach there will be greater trust in its fairness and fewer personal controversies. At the same time, the alcoholic will realize that his or her problem is out in the open and cannot be denied.

The alcoholic has to be approached by union representatives who do not speak for themselves, but for the co-workers of the alcoholic. Before anything can be done, the union, hopefully in co-operation with management, has to establish the fact that a work-related problem exists. Much will depend on the circumstances, and on the degree of union-management co-operation. If management, supervisory personnel, or the personnel department are unaware of a possible alcoholism problem the committee needs to establish that a work-related problem exists and has to point it out to management in all confidentiality.

Initially no individual name need be identified, this can come after management gets involved. Of



"Junk mail."

course, at first all of this may sound like squealing on a fellow worker and union member, but who else is there who should take this difficult step? Even if management were first to recognize the problem the union should get involved. Management must be encouraged to aid in the rehabilitation of alcoholic employees whether or not a program exists. The union must ensure that management offers all possible avenues for treatment and rehabilitation. At the same time the union must back management in all its efforts to deal with the problem.

Circumstances and union-management relations differ widely from one workplace to another. Nevertheless, three broad scenarios can be identified: a) a situation where a proper and effective joint alcoholism program is in force; b) situations where no program exists but union-management relations are open, and informal co-operation on the problem of alcoholism is possible; and c) no program exists and union-management relations make co-operation difficult.

(a) Where a program exists, the roles of management and union are well defined. When an alcohol problem is identified, management will take the necessary steps. Management will call a meeting with the employee at which the union will be represented by the welfare committee. The problem employee will be informed of the problem. Management, with the backing of the union committee, will provide information about counselling and treatment and will encourage the employee to comply. From this point on a number of developments are possible.

If the problem drinker accepts management's direction, seeks

...the problem is often allowed to develop to the painful stage at which drastic action is required

advice, is diagnosed, and gets treatment, the union must make sure that management fulfills all its obligations. If required, sick leave should be granted to the employee, insurance coverage continued, and the job protected. If sick leave had been needed and treatment has progressed far enough to permit the employee to return to work, the union and management must make every effort to re-integrate the employee into the work setting, but without pampering the employee or giving special privileges. If further treatment or counselling are required they should of course be provided. If assistance is asked for it should be offered with as few conditions as possible. In some cases it may be necessary to transfer the employee to a different setting or to change the work environment because it may have contributed to the problem. There may also be personal conflicts that may have to be resolved. In any event, solutions have to be arrived at jointly and must be implemented carefully. Under no circumstances should the rehabilitated alcoholic be stigmatized by making performance difficult and by calling attention to the past.

If the alcoholic refuses to accept any advice, the options become very limited, and the role of the union becomes more difficult. If the initial recommendations are refused, management will have to threaten to fire the alcoholic. The union must not oppose management, but must lend credence to the threat. Because of management's threat, the alcoholic now

will look for an opening, and turn to the local union for protection. Whatever else may happen, the local union must not back him up at this point. If the union is convinced that a problem exists they must back management's ultimatum. The alcoholic must be told that the union agrees with management and that they will only provide help and support after there is an agreement by the problem employee that he will seek advice and treatment. And, along with management, the union must insist on immediate action and must not accept promises that can be broken again, and again, and again....

Thus there are only two alternatives left from which the alcoholic cannot escape. The pressure is on, and is reinforced by the union. It is likely to be successful, because the last thing the alcoholic wants is to be fired. Alcoholics find it very difficult to admit their problem and have a great need to hide it from others. Many times the job is the last pretence to normalcy left. This pretence would be destroyed by the loss of the job, and the problem would be exposed. Fear of exposure is the last and only weapon left with which the alcoholic can be forced into action. It must be used. Opposition to management's actions at this point would seriously weaken the chances for success. Therefore it is not surprising that the highest success rate in the rehabilitation of alcoholics exists where management and union co-operate at all levels: at the top to develop programs and commit money, and locally to implement the programs.

(b) Where no formal or joint program exists, it is still possible to help an alcoholic co-worker, and to do the job of protecting members' interests. If management is generally co-operative, there is no reason to assume that

the union will be rejected in its attempts to help an alcoholic. However, more of the responsibility and the initiative will be with the union. In many cases the union may be first to identify the problem. All actions should again be taken through a committee. The committee must verify that a work related problem exists, caused by a specific individual. The facts must be ascertained and checked, and verified carefully. After the facts are documented, two possibilities exist: approach the individual or go to management. If there is even a remote chance for co-operation, management should be approached first. No names need be mentioned at first, and all discussions and information must remain confidential. If the union has built its case, and offers its co-operation, management in most circumstances can be convinced to take action. A joint approach should be worked out as to how to approach the alcoholic, and what advice to give. If the employer does not know what to do, and is unaware of available resources, the union must find out what help, advice, and treatment are available: Departments of health, social agencies, A.A., hospitals, medical and counselling services, or any other likely agency can be contacted. A joint approach should be worked out with management which will: (1) force the problem employee to seek counsel, (2) direct the problem employee to diagnosis personnel, (3) force the employee to accept treatment if the diagnosis warrants, and (4) provide for re-integration into the work environment after successful treatment. Once the joint approach has been worked out, further activities will be very similar to those situations in which a formal joint program exists. Ultimately, this experience can be used to establish a joint program. Management should be encouraged at all costs to co-operate, and to play its

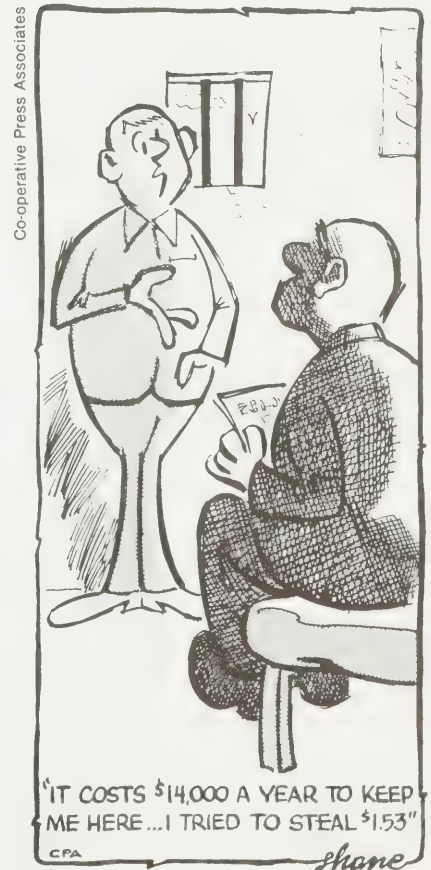
No individual can be expected to assume the burden and the responsibility for helping an alcoholic.... The function can best be performed through a committee charged with membership welfare

proper role. If management is hard to convince of the benefits of such a program, the various provincial and local resources could be used to exert some influence. Literature is available which convincingly explains the cost of alcoholism and the benefits of recovery programs. It can also provide information on organizing the program. Speakers and experts from the various agencies are available to provide advice.

In many instances management will be aware of a problem before the union is able or willing to do something. In some of these cases management may not know any better than to dismiss the problem employee. Should the union fight such management action, giving the impression that the employee is right or innocent?

If the employee loses the job, all hope will be lost. All other problems — family, social, financial — will be aggravated by the loss of income, stability, and reputation. An important chance to steer the alcoholic toward treatment will have been missed. Therefore the local union must make every effort to permit the alcoholic *one* last chance. This should again lead to a joint effort in which both management and the union play a role. Management must be persuaded to give the alcoholic an ultimatum, a choice between being fired and seeking treatment.

Facts must again be verified, and a course of action determined. Again, both union and management must be satisfied that a work-related problem exists. If management agrees to co-operate, the actions from here on should again be similar to those which would be taken if a program existed. Thus, if the alcoholic is to be given one more chance, he or she has to agree to seek advice, to accept treatment if it is indicated, and to comply with the joint demands of union and management. The union committee dealing with the alcoholic in this case must make it unmistakably clear that they will prevail upon management only if counselling, diagnosis and treatment are accepted. Otherwise the alcoholic may feel that the union can reverse his dismissal, and can



protect him indefinitely from the consequences of his drinking.

(c) If no joint effort is possible, the local union must go it alone. This will be very difficult and has less chance of success. Unfortunately there are still many circumstances where management ignores the problem until it is too late, and will not permit anyone to help the alcoholic. In those circumstances the alcoholic winds up being fired when previous disciplinary actions have failed. The union can only grieve, in the hope to gain some time.

In such conditions the union needs to take action before management does the damage. Much depends on individual circumstances, but the union has to fill management's shoes by trying to encourage the problem worker to seek treatment. This means working through the committee which will compile the facts and which must make the initial approach based on these work-related facts. This means recording absences, late reporting to work, faulty work, and any other facts relating to the work environment and the responsibilities of the union. No individual should attempt to do this, this is the job of a committee, which checks and balances that ensure that all facts are correct and no personal gripes interfere. Under no circumstances should the committee try to act as counsellors and talk to the

...the highest success rate in the rehabilitation of alcoholics exists where management and union co-operate at all levels

problem employee about his/her excessive drinking.

Once the union decides to do something, and the facts are established, recorded, and verified the actual personal confrontation must take place in all confidentiality. Special care must be taken to keep the meeting out of management's view, since management has already been identified as untrustworthy under these circumstances, and might take action counter to the committee's purpose. The committee members present at the meeting should stress their union interests and must present the same choices a joint union-management committee would offer. They must stress the problems, present a common front, and insist that they will not offer any help or representation if management takes any action to discipline and/or dismiss the employee. They must make it clear that they will not cover up for misconduct and inefficiency, and, in fact, will provide all the information to management if it would help solve the problem. It can also be pointed out that if co-workers and union officers are

aware of a problem, management action cannot be far behind.

Of course, the union cannot fire the employee but can refuse to help, or can threaten to pressure management into drastic action. If treatment is sought, the burden is on the union to provide all information, contacts, and resources, and to protect the job, to ensure insurance coverage, and so on. If necessary, the employee must be helped to survive on the job while seeking diagnosis and treatment if sick leave is not granted. But even under the worst conditions, only the most backward employer will refuse sick leave and job protection once the alcoholic is under professional care. If this leads to failure the responsibility clearly rests with management.

These suggestions are only a first step and local officers and members should use them only as a guideline. Each individual work situation, and each case, are different. In each case patience, flexibility, and courage are required. But alcoholism clearly is a legitimate union concern. In the interest of all members, including those with alcoholism problems, unions can no longer stand by and ignore the problem, even where management does. In the short run, unions must accept the responsibility for helping individuals. In the long run they should encourage the implementation of policies and programs that help alcoholics anywhere. [g]

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: November, December.

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Some implications of a 'conservar society'

by Frederick Stapenhurst

October 1977 marked the second anniversary of the government's wage and price controls. Whereas this time last year there was a heated debate among business, labour and government as to what kind of 'new society' we should strive for in Canada in the post-controls era, now, with the election of a separatist government in Quebec, attention has shifted more to the question of whether there *will be* a Canada in the future. Behind the scenes, however, there is still much talk as to what kind of economic and social system is most desirable for Canada beyond the 1970s. In particular, the GAMMA group of McGill University and Université de Montréal have published the second phase of their report on "...the implications for Canada of a future of controlled socially oriented growth, generally described as the Conservar Society."

In that report GAMMA examine three conservar scenarios — *Conservar Society One*, in which there is continued economic growth but with conservation of resources, *Conservar Society Two*, an affluent 'stable state' where industrial growth, but not economic growth, is arrested at a high level, and *Conservar Society Three*, which describes "a transformed post-industrial society with new values."

It is likely that as the conservar ethic grows, different individuals will follow lifestyles of one or the other scenario, with some people adopting attitudes typified by the third scenario (back to nature, simplification of material aspects

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of living and a preference for simple technology) while others pursue essentially similar lifestyles as they do today, but place increased emphasis on the elimination of waste (e.g., by substituting 'owning' by 'renting' for certain consumer goods, utilizing better house insulation to reduce energy consumption and advocating the harmonization of future economic development with the environment). But what are the economic implications of such a conservar society? In this article the third scenario (extreme conservar) will be referred to as the 'full' conservar lifestyle, while the second and first scenario attitudes will be called the 'partial' conservar lifestyle.

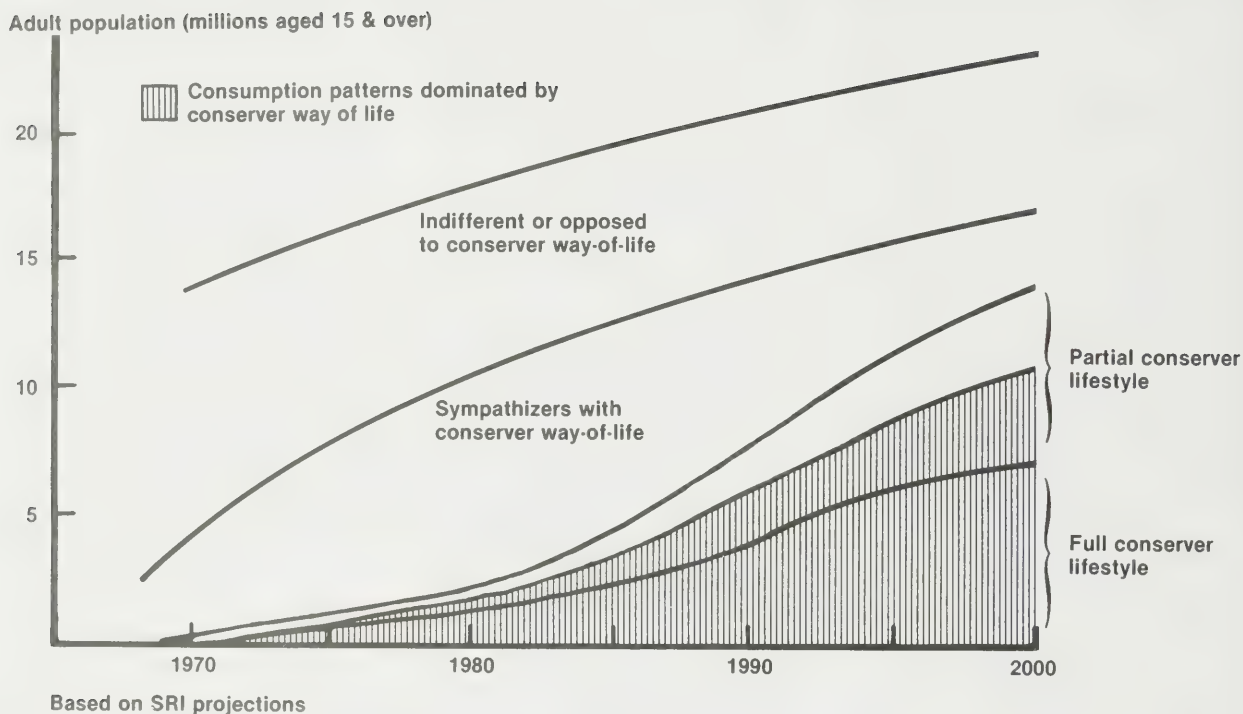
It seems highly probable that some sort of 'conservar society' will develop in Canada over the next 25 years. The factors leading to the growth of a conservar society are threefold — (1) those forces perceived at the individual level which indicate that a shift away from the consumption ethic to the conservar ethic is not only desirable, but necessary (e.g., impending energy shortages, scarcity of raw materials and rising demands of the Third World); (2) the personal desire of many people to 'get back to nature' and live a more simple life; and (3) government policies and regulations, even though there may not be a demand for them at the individual level (e.g., pollution

abatement equipment on cars and home insulation). The main questions facing both private and public decision makers are "how fast will the conservar society develop?" and "how many people will adopt such a lifestyle?"

Based on a study by the Stanford Research Institute on conservar attitudes in the United States, it can be estimated that about 400,000 adults, or approximately 3 per cent of the adult population, fully and wholeheartedly live a conservar way of life in Canada at the present time (assuming, of course, that lifestyle patterns in Canada reflect those in the United States). Furthermore, it is probable that about twice as many people adhere to at least some of the tenets of the conservar society. For example, they might pursue the goal of personal growth or the simplified lifestyle implied by a conservar way of life, but not prefer smallness or insist on living as naturally as possible. If half of this group is added to the 'full' group, it would seem that about 800,000 people in Canada are already buying, or rejecting, some products in accord with conservar principles.

Recent polls in the United States indicate that between one third and one half of the total adult population sympathizes with many conservar goals and values (e.g., willing to eliminate annual model changes in automobiles, to do away with annual fashion changes in clothing, to prohibit the building of large houses with seldom-used extra rooms, etc.), but for one reason or another, does not act on this sympathy. This group of

Figure 1



passive sympathizers is important not only because it represents latent support for conservator views, but because it is composed of potential converts to a partial or complete conservator lifestyle. Although there have been no comparable Canadian polls, there is again no reason to believe that Canadian attitudes are significantly different.

Figure 1 shows the number of adults in Canadian society today and the expected increase in this sector of the population (Statistics Canada projection: series B). It also shows the estimated maximum increase in the number of adults living a conservator lifestyle (based on forecasts used in the SRI report). During the next 20 years, the growth in the adoption of conservator lifestyles will likely be fast, especially among young adults and some retired people, who will find the movement a convenient means for simpler and

cheaper living habits, which they might not adopt in other circumstances. The diagram indicates that up to 1.25 million people may adopt a 'full' conservator lifestyle by 1980, perhaps 2.5 million in 1985 and 7 million by the year 2000. Moreover, the growth of the 'partial' conservator lifestyle group is expected to parallel that of the 'full' group, while the number of people sympathetic to conservator society principles but not moved to action will decline as a percentage of total population after 1980 (on the assumption that many people will become 'partial' conservators as they come under the influence of increasing economic problems and view mounting evidence that the conservator way of life is indeed a satisfying one).

Of course such a projection assumes a fairly rapid growth of acceptance of conservator principles. Also, it is probable that the expansion of the adoption of

conservator lifestyles will not emerge in the smooth fashion suggested by the S-curves in the diagram, but will develop with jumps, drops and plateaus, reflecting a variety of specific events, perpetual insights, and charismatic leaders. Nevertheless, by utilizing this extreme projection, we can analyze the maximum likely implications of the conservator society on the economy.

To the extent that such a scenario does develop, however, there will likely occur massive production and job shifts leading to an over-supply of labour in some sectors of the economy and a lowering of pay scales for certain jobs. The situation would present a serious challenge to union efforts to protect and improve working conditions for their members.

Thus, it seems hardly surprising that the reaction of labour is expected to be one of the major

obstacles to the institutionalization of the conserver way of life — there would undoubtedly be an adverse effect on the economic power of the trade unions. The GAMMA group freely admit that some of the conserver measures would have adverse effects on the employment situation, but stress that some of the unemployed could be absorbed into recycling industries and that, in any case, "...in a conserver society, the idea is not to create jobs, but to get the job done." Conrad Jamison, well-known U.S. economist, argues that should the adoption of a conserver society in the United States, in any form, imply zero economic growth, the unemployment rate would jump from around 8 per cent at present to over 15 per cent by 1980 (assuming zero economic growth 1977-80).

Such a drastic change in the employment situation would require a shift in government macro-economic policy away from the problem of expanding total output to the problem of equitable distribution of income. And one way to distribute income in a conserver society would be to distribute *work* by having more people work less hours in a week or less weeks in a year.

Coupled with job shifts, there would likely be a decline in aggregate personal income of up to 5 per cent from what it would otherwise be in the year 1985, and up to 15 per cent from what it would be

in the year 2000. Of course, some of the losses would be counter-balanced through the opening up of better jobs for qualified workers now in low-income brackets. Overall, the income distribution curve would flatten, with more low incomes and fewer in the medium ranges.

There would exist a highly segmented marketplace, with a prosperous group of consumers opposed to many of the goals of the conserver way of life at one end of the scale and a frugal, socially aware group of conserver-oriented consumers at the other end. There would also exist a low-income non-conserver market — somewhat similar to a cross section of today's consumers and who would probably buy in the mixed pattern characteristic of today's market.

The consumer industries likely to suffer most extensively from the rise in conserver lifestyles include automobiles, clothing, petroleum, pre-packaged food and possibly health care. Industries most likely to benefit include education, local transportation, do-it-yourself supplies, arts and crafts, and all types of goods and services associated with personal growth (e.g., museums, art galleries, books, etc.). Impacts would probably be mixed for industries associated with communications, recreation and personal finance. Although the demand for some types of products will be dampened by the

conserver ethic, the outlook for others will benefit. Conserver-oriented consumption is aimed at buying products that are functional, healthy, non-polluting, durable, repairable, recyclable or made from renewable materials and energy cheap. Such purchasing habits will have particularly negative effects on the lines of consumer goods and services bought for motives reflecting ostentation. However, in many cases advertising will increasingly be used to promote energy conservation, to teach the fundamentals of ecology, and so on.

Whether the conserver society comes about through government action, as the GAMMA group advocate, or simply through the pricing mechanism in the existing economy, with rapidly rising energy and raw material costs exerting profound influence on demand and people's values, come about it must. The Science Council has stated that "only by adopting a more rational and conserving approach to the common energy resource and environmental pool that sustains us all, can we ensure a continuing high standard of living for future generations." The spreading conserver society ethic will greatly affect our social, economic and political fabric. Nevertheless, we should view such a development as a preferred choice for our future growth, rather than as a period of austerity and shortages. If we don't, we may just end up with that — austerity and shortages. [G]

Science Council of Canada report

A Conserver Society offers new opportunities for Canadian business and opportunities for new job creation, according to the Science Council of Canada report, *Canada as a Conserver Society*. It can also facilitate

Canadian ownership and control as new industries and technologies are developed and "selective growth" becomes the central policy thrust of the country's industrial strategy.

In addition to describing the potentialities of a Conserver Society, the report also makes specific recommendations to help achieve them by encouraging and assisting improvements in industrial processes,

protecting new industries based on consumer techniques, and training people in new skills during transition to new employment patterns.

The report describes a coming wave of industrialization based on society's needs for new energy sources and the need to use present sources as efficiently as possible. Miniaturization will increase with the development of the microcomputer to its full potential. Electronic control technology will make great strides and brand new technologies will be developed based on biology and ecology.

Industry will find new opportunities in producing and distributing the hardware associated with solar, wind and forest energy courses, electronic control equipment for the extractive industries, and hardware for more efficient use of current conventional energy supplies such as heat pumps, insulation and district heating.

In its discussion of one development of solar heat technology — the evacuated tube solar collector — the report spells out how a Conserver Society can foster Canadian ownership: "Traditionally Canada has opted for technology transfer from abroad, usually the United States, in the form of direct foreign investment. Branch plants were created in Canada behind tariff walls and new technologies were introduced by subsidiaries of foreign-owned companies. We can change this trend with the new energy technologies. For example, with regard to the evacuated tube solar collector, we can opt for a licensing arrangement and maintain Canadian ownership of the produc-

tion. Or we may decide that since a 'third generation' collector is inevitable, we should build and develop the product in Canada so that innovations surrounding all new developments in solar technology can be understood by researchers in Canadian industry. This latter approach could lead to a selective licensing strategy. Early Canadian experience of branch-plant dominance does not have to be respected with these new technologies."

The report recommends capital grants and accelerated write-offs to assist and encourage changes in industrial processes that would conserve energy and materials. And it suggests some specific examples: "Heat recuperators can be installed to recycle or use elsewhere heat from high temperature processes, electricity can be generated with process steam, and industries can co-operate in industrial parks; waste heat from one plant might be input for another, or used for district heating of buildings and houses."


Incentives and subsidies to encourage new industries based on conserver technologies could favour Canadian firms that show potential and the Foreign Investment Review Agency "should be given specific direction to block takeovers of these firms once they are established," the report says. In the past, it notes, Canadian taxpayers have helped support the development of new enterprises "only to have them bought out by foreign firms once their promise and potential have been established."

On the need to train people in new skills, it notes that most engineering schools and com-

munity colleges in Canada "have been alert to new developments" and have introduced appropriate course material and student projects. In this, they should be encouraged through federal, provincial and industrial grants, "on a sufficient scale to realize the potential of the interest, enthusiasm and creativity these projects obviously excite." An extensive research and teaching program is needed because the construction and installation trades "are too often dominated by small firms which do little research of their own and tend to be slow to adopt technological change."

The report also proposes that utilities install needed energy saving equipment and lease it to homeowners so that capital investment is paid for overtime in regular utility bills.

Finally, the report recommends that employment programs such as Local Initiatives and Canada Works be used to "put the creative energies of Canadians to work on conserver problems and opportunities.... Besides helping solve the present unemployment problem this approach would assist and guide the transition of the workforce into occupations that will continue in the longer term.

"It is our impression that many individuals would like to work in 'conserver' related areas, but the traditional market mechanisms have not been creating the jobs. To begin with, the ventures in this 'conserver direct employment' program would be extra-market, but, as individual initiatives became viable in a business sense or began to compete with existing firms, the direct support could be phased out." 

R.L.

comment

Simple arithmetic

In an article entitled "Pension indexing — a new perspective" (*The Labour Gazette*, July 1977), Leslie Barnes reviews a study of which he is part author. The authors of the study conclude that "actuarial discussion sheds no light on the underlying issue because it assumes that a dollar is a dollar whatever happens to prices." This of course is sheer nonsense, but I suspect that the actuarial profession will not suffer any loss of credibility from these remarks.

Actuaries can at least do simple arithmetic, which appears to be beyond the capability of the economists who wrote the study. Let us examine their own dollar calculations. The authors state that the total pension payout in 1976 was \$9 billion and inflation ran at about 7.5 per cent. They then conclude "the cost of indexing all these pensions to preserve their purchasing power into 1977 would have been about \$680 million." Yes, that is correct — but only on the absurd assumption that in 1978 the pensions went back to their original levels.

In fact indexing means that the amount of pensions payable in 1978 would be the original amount raised 7.5 per cent for 1976 inflation and further raised for 1977 inflation. Similarly a pension payable in 1979 would have to allow for inflation in three years 1976, 1977 and 1978.

Of course some pensioners die and for them indexing costs cease. New pensioners begin to receive

benefits and for them the indexing starts at a later date. Having regard to life expectancies and current annuity prices, the cost of indexing to preserve the purchasing power of pensions for the 1976 inflation of 7.5 per cent would be about \$5,400 million, not \$680 million. This amount does not have to be paid at once, since most indexing is on a pay-as-you-go basis. However, it does represent the cost in today's dollars of the pension increases arising from inflation in the year 1976 alone.

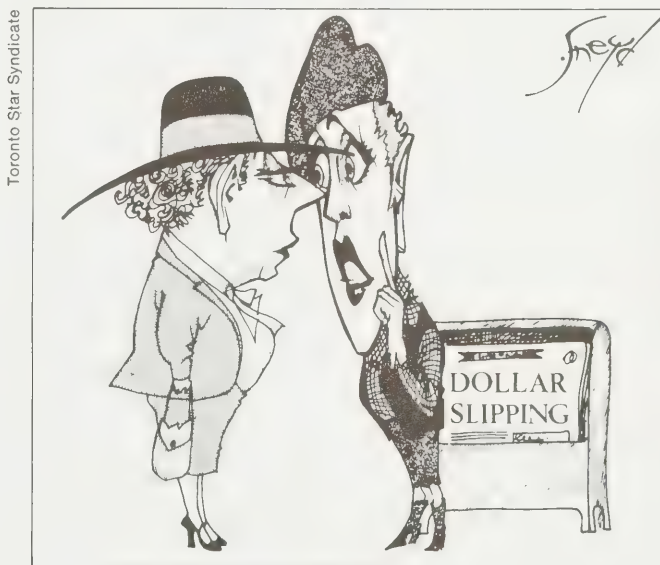
I agree with the authors up to a point. Pensioners ought as far as possible to be protected from reductions in their purchasing power (so should people with fixed incomes, savings bank accounts, investment certificates and govern-

ment bonds). Unfortunately we cannot afford to do all that is desirable in this world and the possibility of runaway inflation cannot be ignored. Pension costs are rising fast due to population trends, higher benefits and earlier retirement. Private employers who want to stay in business must control their pension costs and will not sign blank cheques — therefore they commonly grant pension increases but do not guarantee full indexing in the future. The public service deserves good pay and good benefits but ought not to be ahead of all private employers in any major item.

In setting policy on this matter, the cost implications are most important. The Barnes-Crozier-Jackson study only quotes the cost of one year's pension increases arising from one year's inflation, which is grossly misleading.

Laurence E. Coward

Executive Vice-President & Director
William M. Mercer Ltd.
Toronto



"That's nothing new. It's been slipping through my fingers for years."

Books

Up From the Ranks:

Trade Union VIP's Past and Present

by **Morden Lazarus**, Co-operative Press Associates, 1977

Morden Lazarus has gathered in his 133-page book biographical sketches of 115 trade union leaders, past and present, including six named to the Canadian Labour Congress' Labour Hall of Fame—Silby Barrett, Percy R. Bengough, John W. Bruce, Claude Jodoin, A.R. Mosher and Daniel J. O'Donoghue. He has also found room for a lengthy biographical article on J.S. Woodsworth, the first leader of the Co-operative Commonwealth Federation. The article was written by the late Andy Andras, former legislative director of the Canadian Labour Congress, whose biography is included in *Up From the Ranks*.

This impressive collection obviously represents a tremendous task of research by Lazarus who has demonstrated a knack for presenting a great amount of information in the fewest words needed, particularly in *Years of Hard Labour*, his short history of Canadian labour published in 1974. He has also managed to find a head-and-shoulders photo for every biographical sketch.

His research is supported by first-hand knowledge. Lazarus knew, or knows, almost all the leaders he presents in *Up From the Ranks*. He has been editor of Co-operative Press Associates "Canada's only labour press service," for 32 years. His active involvement in the CCF

party dates back to 1934 and he has been a full-time staff member of the Ontario Federation of Labour since 1958. His experience made him the appropriate person to produce this Who's Who of Canadian Labour, both past and present.

There are some omissions, of course. Andras was always careful to identify himself not as a labour "leader" but as a labour "official" because he was an appointed staff person with the CLC and not an elected officer. It is refreshing to note that Lazarus did not omit him from this book because of that distinction. Some readers, however, would perhaps like to have more staff people included, even though they did not rise from the ranks but were appointed because of their specialty. To this reviewer, the names of Jack Williams and Jerry Hartford, come to mind, retired public relations directors for the CLC and the United Auto Workers, respectively. Undoubtedly every trade unionist who reads *Up From the Ranks* will have his own list of people who might have been included, and Lazarus himself admits that "time and funds available made it necessary to set a limit somewhere." The leaders presented represent 50 organizations, but not one of them is from the Confederation of National Trade Unions or the Quebec Teachers' Federation.

Despite those limits, *Up From the Ranks* is a useful and interesting reference book, and a long-needed addition to the literature of the Canadian union movement.

R.L.

A Guide to Worker Productivity Experiments in the United States 1971-75

by **Raymond A. Katzell, Penny Bienstock and Paul H. Faerstein**, New York, University Press, 1977.

This book was prepared for Work in America Institute, Scarsdale, N.Y., a non-profit agency founded to improve productivity and the quality of working life. The authors meticulously analyzed 103 work productivity experiments conducted in the United States and reported in scientific or business journals issued in the 1971-75 period.

An abstract describes each experiment by organization, workers involved, method of installation, research design, productivity results, intervening effects if any, limitations, and conclusions. It also, of course, identifies the source of the published data.

The experiments are classified under 14 categories: selection and placement, job development and promotion, training and instruction, appraisal and feedback, management by objectives, goal setting, financial compensation, job design, group design, supervisory methods, organizational structure, physical working conditions, work schedules, and socio-technical systems.

The authors report that 85 of the experiments resulted in improvements in at least one aspect of productivity, and conclude that improvement of worker perform-

ance "is attainable through strategies already within our grasp."

This survey of the literature, presented in the form of classified, indexed and cross-referenced abstracts, is useful for anyone interested in knowing what produc-

tivity experiments were carried out in the U.S. during the period studied, and particularly for managers planning to introduce similar productivity experiments. It does not, however, provide all the answers, not because of any limitations of the Guide, but

because of limitations in much of the research itself. Of the 103 experiments, 50 were conducted without any control groups and in 30 the equivalency of the comparison group was non-existent or questionable.

R.L.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the author, title and publisher.

Collective Bargaining

Garfin, Molly, comp. *Collective bargaining in higher education.* New York, National Center for the Study of Collective Bargaining in Higher Education, Baruch College, CUNY, 1977. 158p.

Hayford, Stephen C. *Collective bargaining and the public sector supervisor*, by Stephen L. Hayford and Anthony V. Sinicropi. Chicago, International Personnel Management Association, 1976. 47p.

An overview and analysis of the broad range of statutory treatments afforded American public sector supervisors in the various state and federal jurisdictions — from full protection to total exclusion from coverage. Offers suggestions for dealing with this sensitive issue.

Labor-management issues in the health care field. New York, National League for Nursing, 1976. 68p.

A basic approach to labour management relations in American health care institutions, directed particularly at voluntary agencies, many of which are experiencing the collective bargaining process for the first time.

Economic Policy

Wallis, Wilson Allen. *An over-governed society.* New York, The Free Press, 1976. 292p.

Employees' Benefit Plans

Canada. Public Service Staff Relations Board. Pay Research Bureau. *Employee benefits and conditions of employment in Canada; highlights of studies on prevalence, characteristics and costs from 1967 to 1976.* Ottawa, Supply and Services Canada, 1977. 111p.

Freedom of Association

Caire, Guy. *Freedom of associa-*

tion and economic development. Geneva, International Labour Office, 1977. 159p.

Deals with the question of whether freedom of association in developing countries may impede economic development. Argues that the two are by no means incompatible. Examines difficulties in the establishment and pursuance of industrial relations policy in developing countries, and makes constructive suggestions regarding the role of international labour standards in this field.

Industrial Health — Women

George, Anne. *Occupational health hazards to women; a synoptic view.* Ottawa, Advisory Council on the Status of Women, 1976. 128p.

Examines the chemical, biological, physical, and mental health hazards encountered by women in the workplace. Of special interest is a section on the dangers to pregnant women. Included in the appendices is a listing of main occupational health legislation in Canada.

Industrial Relations

Québec (City). Université Laval. Département des relations industrielles. *Les relations du travail au Québec: la dynamique du système*, publié sous la direction de Jean Bernier, Rodrigue Blouin, Gilles Laflamme et Alain Larocque. Québec, Les Presses de l'Université Laval, 1976. 229p.

Industrial Relations — Seamen

Fuchs, John J. *The shipping industry in Canada*. Geneva, International Institute for Labour Studies, 1976. 33p. (International Institute for Labour Studies. Research series no. 2)

Insurance, Unemployment

Blaustein, Saul J. *An international review of unemployment insurance schemes*, by Saul J. Blaustein and Isabel Craig. Kalamazoo, Mich., W.E. Upjohn Institute for Employment Research, 1977. 267p.

Concentrates on describing the provisions of unemployment insurance schemes and not experience with application of the provisions. Not intended to deal with reasons for or implications of differences among national programs. Greater prominence is given to the Canadian and American schemes than to those of other countries.

Job Harassment

Brodsky, Carroll M. *The harassed*

worker. Lexington, Mass., Lexington Books, 1976. 174p.

Deals with the physical and psychological effects of job harassment produced by work pressure, by the system or by co-workers. Explores the harassment process and characteristics of the harassed and the harasser, and presents a strategy for dealing with the problem.

Labour Costs

Heisel, W. Donald. *Costing union demands*, by W.D. Heisel and Gordon S. Skinner. Chicago, International Personnel Management Association, 1976. 73p.

Outlines simple arithmetical models for calculating cost data covering bargaining demands in the areas of wages, leave, insurance, pensions, travail reimbursement and union dues check-off.

Labour Organization

Cullingford, E.C.M. *Trade unions in West Germany*. London, Wilton House Publications, 1976. 114p.

An account of German trade unionism since the Second World War. Deals with the industrial relations policies of German unions, co-determination, strikes in certain industries and works councils.

MacDonald, Donald Farquhar. *The state and the trade unions*. 2nd ed. London, MacMillan, 1976. 217p.

A historical review, with emphasis on recent developments, of the changing and often difficult relationship between government and trade unions in Great Britain. The author approaches the subject from the point of view of the third party, the community as a whole, whose vital interest has, he maintains, been too much neglected.

Night Labour

Carpentier, James. *Le travail de nuit; effets sur la santé et la vie sociale du travailleur*, par J. Carpentier et P. Cazamian. Geneva, International Labour Office, 1977. 86p.

Productivity of Labour

Accroissement de la productivité et psychologie du travail, par M. Bolle de Bal et autres. Bruxelles, Éditions de l'Université de Bruxelles, 1976. 122p.

Shop Stewards

Nash, Al. *The union steward: duties, rights and status*. Ithaca, N.Y., New York State School of Industrial and Labor Relations, Cornell University, 1977. 59p.

Wages on Dismissal

New York (State). Department of Labor. Division of Research and Statistics. *Separation pay in union-management agreements*, 1975. Albany, 1976. 48p.

PRICES, EMPLOYMENT, AND EARNINGS

THE CONSUMER PRICE INDEX — SEPTEMBER 1977

The Consumer Price Index (1971 = 100) advanced 0.6 per cent to 163.4 in September from 162.5 in August. On a year-over-year basis the increase was 8.4 per cent, extending the trend of relatively sharp price increases observed since the beginning of the year.

Higher prices for fuel oil and gasoline were together responsible for over 40 per cent of this latest advance while higher prices for clothing, outer wear in particular, contributed an additional 20 per cent. As a result, the non-food index contributed all but 10 per cent (the contribution of the food index) to the overall increase.

A moderate increase in the food index dampened the impact of the increase in the all-items excluding food. While the food index increased 0.2 per cent, the non-food index increased 0.7 per cent. Lower food prices were to a large extent a result of seasonally lower prices for fresh produce.

Higher prices for beef products contributed significantly to this latest rise in the food index. Increased prices for pork products, fish and restaurant meals also contributed to the increase. On a year-over-year basis, the food index increased 11.2 per cent and the non-food index 7.4 per cent.

On a seasonally adjusted basis, the month-to-month increase of

the all-items index was 0.7 per cent, while the food index increased 0.8 per cent. The current annual rate of change of the CPI based on seasonally adjusted movements of the latest three months was 7.4 per cent compared to 6.2 per cent for the three months ending in August.

THE LABOUR FORCE — SEPTEMBER 1977

Seasonally adjusted data — changes from August 1977

The seasonally adjusted unemployment rate edged up 0.1 per cent to a record level of 8.3 per cent. This increase occurred despite continued strong growth in employment. The participation rate reached a record level (61.8 per cent); and this, along with a continued increase in the working age population, resulted in the labour force increasing slightly faster than employment.

After the high in April, the unemployment rate dropped 0.4 percentage points in May and has been increasing by about 0.1 per cent every month since then. So far this year the unemployment rate has averaged 8.0 per cent. However, the adult rates have changed very little. Most of the increase in the overall rate has been due to an increase in the youth unemployment rate.

The rate of growth in employment, while not as strong as in August, was substantial. This latest increase of 27,000 jobs (or 0.3 per cent) was shared by the youths 15-24 years, (25,000) and men 25

years and over (8,000), while employment of women 25 years and over declined (-6,000).

A significant change occurred in the youth unemployment rate — it declined to 14.5 per cent (from 14.8) as a result of a faster growth in employment than in labour force even though there was a substantial increase in the youth participation rate. In contrast, the adult unemployment rate increased: the adult male rate edged up to 5.1 per cent while that for adult females advanced to 7.5 per cent.

In the regions: unemployment rates went up in Quebec (from 10.2 to 10.8 per cent) and in Ontario (from 7.0 to 7.3 per cent). In both these regions, employment increased but at a slower rate than the labour force. The rate declined significantly in British Columbia (from 8.8 to 8.3 per cent) and marginally in the Prairies (from 4.9 to 4.8 per cent) due to stronger growth in employment. In the Atlantic provinces, a decline in the unemployment rate (from 12.7 to 12.5 per cent) occurred in spite of the decline in employment, since the labour force declined at a faster rate.

Employment in the goods producing sector increased for two consecutive months after declining for the most part of the year. Most of this growth occurred in the manufacturing industry. The service producing sector experienced an overall decline in employment, although the trade industry provided 22,000 new jobs.

Weaknesses were in community, business and personal services, and in the public administration sectors.

Unadjusted Data

The actual level of unemployment declined between September and August (to 798,000) but the unemployment rate was unchanged at 7.5 per cent. A year ago the unemployment rate was 6.5 per cent. Compared with September 1976, employment increased by 214,000 (2.3 per cent) and the labour force by 346,000 (3.3 per cent). Over the same period, unemployment rates were higher in all regions except British Columbia, the only region in which the rate of growth of employment was faster than that of the labour force.

JOB VACANCIES — SECOND QUARTER, 1977

Vacancies in the second quarter, 1977 for all categories of jobs (49,700) increased 25.2 per cent from the previous quarter but declined 23.1 per cent from a year earlier. Full-time job openings increased 22.4 per cent to 43,200, while long-term vacancies — over four weeks — increased 6.5 per cent to 13,200.

In the three months ending in August, the number of vacant jobs decreased 14.0 per cent from the same period a year ago. However, compared to the previous three-month period, there was an increase of 21.0 per cent. The vacancy rate was 0.6 per cent (i.e., 6 jobs were vacant for 1,000 existing jobs). A year ago it was 0.7 per cent. The highest vacancy rates were observed in Alberta (1.1 per cent) followed by Saskatchewan (0.7), and the lowest was in Newfoundland (0.3).

EARNINGS AND INCOME — JULY 1977

Average weekly earnings, industrial composite (seasonally adjusted) decreased by 0.3 per cent to \$249.99 in July, after an increase of 1.3 per cent in June; in all industry divisions, with the exception of forestry, they decreased. All regions registered decreases with the exception of Quebec which was unchanged and British Columbia which increased slightly.

In manufacturing average hourly earnings of hourly-rated wage earners advanced (0.8 per cent) and average weekly hours declined (-0.5 per cent).

On an unadjusted base, average weekly earnings for all industries rose 9.1 per cent to \$250.96 in July from \$230.11 in 1976. After adjustment for price changes this increase was 0.6 per cent. Average hourly earnings in manufacturing reached \$6.43 (from \$5.79), in

construction \$9.74 (\$8.55) and in mining \$8.15 (\$7.34).

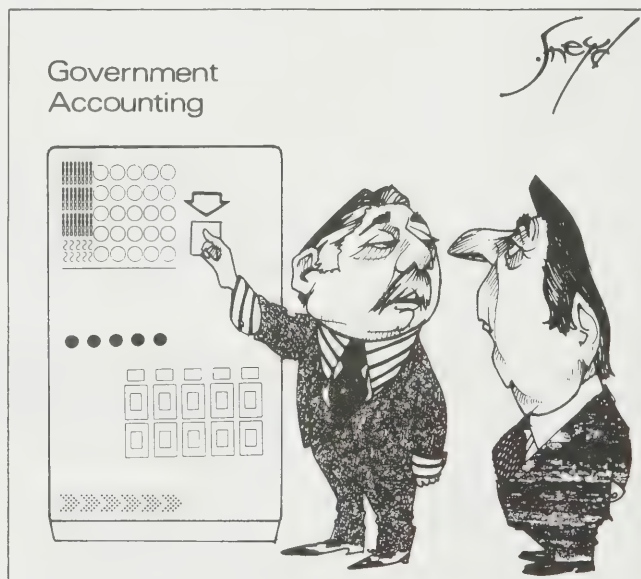
Average weekly earnings by industry division were: construction, \$376.02; mining, \$338.22; forestry, \$307.73; transportation, communication and other utilities, \$289.08; manufacturing, \$263.91; finance, insurance and real estate, \$228.26; trade, \$196.58; and service, \$174.13.

Total labour income in July rose to \$9,872 million, an increase of 9.2 per cent from the previous year.

WAGE SETTLEMENTS — SECOND QUARTER, 1977

The base rates of all major collective bargaining agreements (construction industry excluded) settled in the second quarter of 1977 increased at an average annual rate of 8.0 per cent. In manufacturing the increase was 6.3 per cent. Over the last four quarters the increase for all industries was 8.6 per cent and 6.7 per cent for manufacturing.

Toronto Star Syndicate



"And here, a Chinese fortune cookie drops down to validate the computer prediction."

labour statistics

LABOUR MARKET

	Unadjusted			Seasonally Adjusted				
	Sept. 1976	Sept. 1977	% change ¹	July 1977	Aug. 1977	Sept. 1977	% change ² Aug.	Sept.
TOTAL	(numbers in thousands)							
Labour Force	10,357	10,703	3.3	10,602	10,677	10,071	0.7	4.3
Employment	9,688	9,906	2.3	9,743	9,798	9,825	0.6	0.3
Unemployment	670	798	9.1	859	879	886	2.3	0.8
Unemployment Rate (%)	6.5	7.5	—	8.1	8.2	8.3	—	—
Participation Rate (%)	61.1	61.8	—	61.4	61.7	61.8	—	—
Both Sexes: 15-24	60.3	61.7	—	63.3	63.3	63.7	—	—
Men:	77.5	77.7	—	77.4	77.6	69.3	—	—
— 25 and over	81.8	81.6	—	80.7	80.9	81.0	—	—
Women:	45.2	46.4	—	45.9	46.3	57.9	—	—
— 25 and over	41.9	42.9	—	41.8	42.4	42.3	—	—
EMPLOYMENT	9,688	9,906	2.3	9,743	9,798	9,825	0.6	0.3
Both Sexes: 15-24	2,382	2,411	1.2	2,449	2,445	2,470	- 0.2	1.0
Men:	6,147	6,214	1.1	6,087	6,113	6,136	0.4	0.4
— 25 and over	4,822	4,892	1.5	4,752	4,778	4,786	0.5	0.2
Women:	3,541	3,692	4.3	3,656	3,685	3,689	0.8	0.1
— 25 and over	2,483	2,603	4.8	2,542	2,575	2,569	1.3	- 0.2
Paid Workers	8,696	8,904	2.4	8,781	8,849	8,872	0.8	0.3
In Industries								
Agriculture	526	514	- 2.3	469	464	475	- 1.1	2.4
Manufacturing	2,001	1,951	- 2.5	1,857	1,889	1,914	1.7	1.3
Construction	698	695	- 0.4	636	631	635	- 0.8	0.6
Trade	1,640	1,715	4.6	1,698	1,710	1,732	0.7	1.3
Services	2,581	2,720	5.4	2,733	2,768	2,754	1.3	- 0.5
By Regions								
Atlantic	759	768	1.2	749	748	740	- 0.1	- 1.1
Quebec	2,483	2,545	2.5	2,490	2,502	2,518	0.5	0.6
Ontario	3,711	3,786	2.0	3,757	3,777	3,781	0.5	0.1
Prairies	1,677	1,716	2.3	1,677	1,686	1,688	0.5	0.1
British Columbia	1,057	1,090	3.1	1,071	1,075	1,087	0.4	1.1
UNEMPLOYMENT RATE (%)	6.5	7.5	—	8.1	8.2	8.3	—	—
Both Sexes: 15-24	11.6	13.8	—	14.5	14.8	14.5	—	—
Men:	4.9	6.1	—	7.4	7.4	7.5	—	—
— 25 and over	3.2	3.8	—	5.1	5.0	5.1	—	—
Women:	9.1	9.16	—	9.3	9.5	9.5	—	—
— 25 and over	7.3	7.7	—	6.9	7.3	7.5	—	—
By Regions								
Atlantic	10.0	11.0	—	12.2	12.7	12.5	—	—
Quebec	8.8	9.9	—	10.3	10.2	10.8	—	—
Ontario	5.2	6.5	—	6.8	7.0	7.3	—	—
Prairies	3.3	7.5	—	4.9	4.9	4.8	—	—
British Columbia	7.7	4.0	—	8.5	8.8	8.3	—	—

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted	
				% Change from Previous Year			Current Annual Rate of Change	
	July 1977	Aug. 1977	Sept. 1977	July	Aug.	Sept.	Aug.	Sept.
All-Items (1971 = 100)	161.8	162.5	163.4	8.4	8.3	8.4	6.2	7.4
Food "	182.9	183.9	184.3	9.0	10.2	11.2	7.4	8.5
Total Ex-Food "	154.3	155.0	156.1	8.0	7.6	7.4	5.6	7.2

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	July 1976	July 1977 ^P	% change ¹	May 1977 ^P	June 1977 ^P	July 1977 ^P	% change ² June	July
Average Weekly Earnings (\$)								
Industrial Composite	230.11	250.96	9.1	247.52	250.81	249.99	1.3	- 0.3
Real (\$ 1971)	154.13	155.11	0.6	155.09	156.56	154.98	0.9	- 1.0
By Regions:								
Atlantic	204.59	221.97	8.5	221.17	222.29	220.87	0.5	- 0.6
Quebec	223.31	246.34	10.3	242.04	246.09	246.09	1.7	0.0
Ontario	230.74	249.22	8.0	247.70	290.37	248.57	1.1	- 0.7
Prairies	228.20	250.24	9.7	244.14	248.56	247.37	1.8	- 0.5
British Columbia	263.47	287.20	9.0	280.30	284.55	284.61	1.5	0.0
Manufacturing:								
Average Weekly Earnings (\$)	239.98	263.91	10.0	262.80	267.94	266.58	2.0	- 0.5
Average Hourly Earnings (\$)	5.79	6.43	11.1	6.32	6.39	6.44	1.1	0.8
Average Weekly Hours	38.2	38.0	- 0.5	38.4	38.7	38.5	0.8	- 0.5
Total Labour Income (\$ M)	9,040	9,872	9.2	9,691	9,787	9,814	1.0	0.3

MAJOR COLLECTIVE BARGAINING SETTLEMENTS

	Annual		Unadjusted						Last Four Quarters
	1975	1976	1976			1977			
			II	III	IV	I	II		
(Annual compound rates of change)									
Total (Ex. Const.)	17.0	10.2	10.8	9.4	7.9	8.6	8.0	8.6	
Commercial	14.9	9.5	10.3	8.9	7.0	8.1	7.3	7.7	
Manufacturing	13.9	8.7	15.7	12.6	14.0	6.7	6.3	6.7	

JOB VACANCIES

	Unadjusted						Seasonally Adjusted		
	1976			1977			1976	1977	
	II	III	IV	I	II		IV	I	II
	(Figures in thousands)								
All categories	64.6	62.3	40.3	39.7	49.7		45.6	46.8	47.8
Full-time	49.3	54.7	35.8	35.3	43.2		40.6	41.0	41.5
Long-term	15.5	20.3	13.9	12.4	13.2		15.1	13.7	14.4

¹Year-over-year % change.

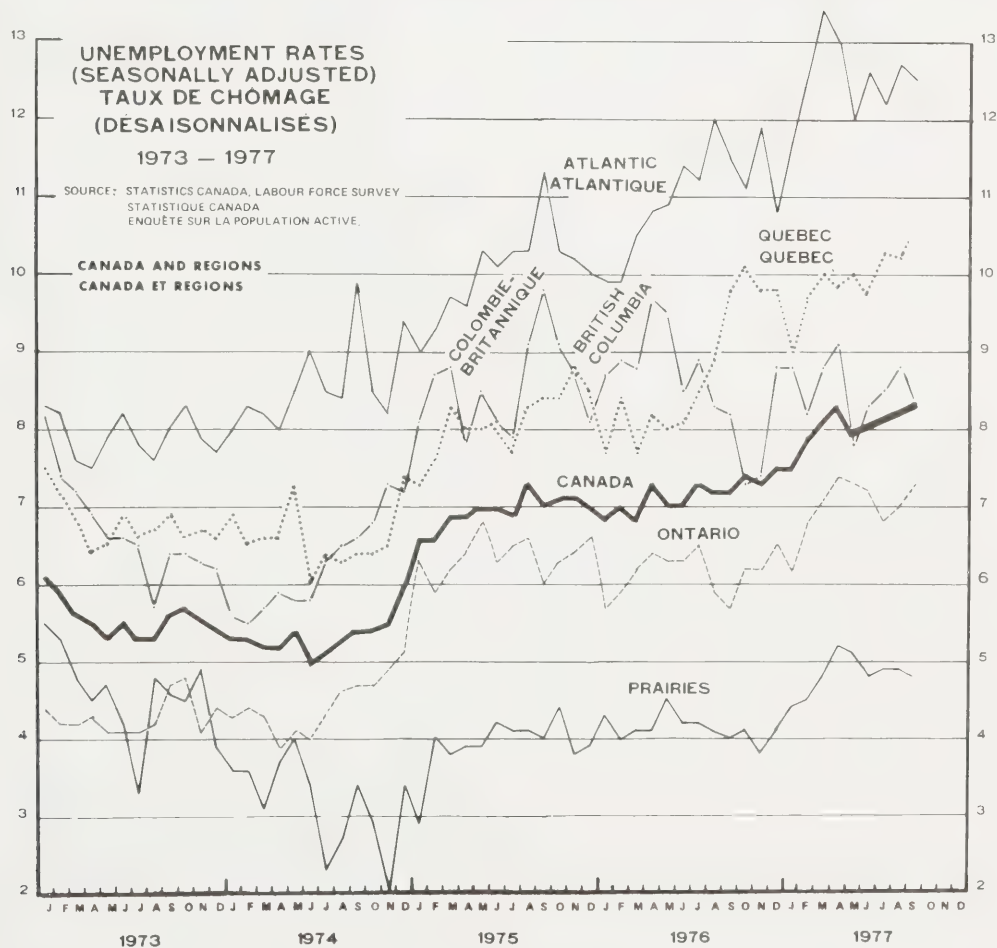
²Month-to-month % change.

P Preliminary.

Source: Statistics Canada, *The Labour Force*, Cat. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. 72-002. Statistics Canada, *Quarterly, Report on Job Vacancies*, Cat. 71-002. Statistics Canada, *The Consumer Price Index*, Cat. 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under: \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976	\$2.65	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977	\$2.70	under 18: \$2.35
Quebec	July 1, 1977	\$3.15	under 18: \$2.95
Saskatchewan	January 1, 1977	\$3.00	no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates



STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, JULY 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973.....	677	724	348,470	5,776,080	0.30
1974.....	1,173	1,218	580,912	9,221,890	0.46
1975.....	1,103	1,171	506,443	10,908,810	0.53
1976.....	921	1,039	1,570,940	11,609,890	0.55
1976					
July.....	84	219	83,388	1,270,240	0.68
August.....	78	206	116,648	1,186,600	0.62
September.....	59	185	136,482	1,943,860	1.08
October.....	78	181	927,888	2,035,720	1.14
November.....	52	138	54,886	498,700	0.26
December.....	37	110	45,090	249,020	0.13
1977*					
January.....	47	113	29,132	227,670	0.13
February.....	45	111	19,272	193,140	0.12
March.....	69	133	23,441	226,220	0.12
April.....	76	160	39,133	353,400	0.21
May.....	60	154	32,857	359,740	0.20
June.....	59	162	31,675	326,520	0.17
July.....	51	169	40,805	466,650	0.26
January-July 1977*		473		2,153,350	0.17
January-July 1976.....		735		5,696,190	0.50

* Preliminary

WORK STOPPAGES BY INDUSTRY, JULY 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to July)
		Number	Workers involved	Duration in man-days	
Agriculture.....	0	0	0	0	0
Forestry.....	0	2	330	6,600	50,240
Fishing.....	0	0	0	0	20,800
Mines.....	1	3	270	3,780	79,440
Manufacturing.....	20	76	15,356	176,440	1,131,240
Construction.....	9	17	15,664	184,070	296,910
Transp. & Utilities..	5	16	2,672	21,890	115,590
Trade.....	7	20	969	16,410	79,460
Finance.....	0	0	0	0	4,240
Service.....	5	20	4,241	41,040	274,830
Public Admin.....	4	15	1,303	16,420	100,600
Various industries..	0	0	0	0	0
TOTAL.....	51	169	40,805	466,650	2,153,350

WORK STOPPAGES BY JURISDICTION, JULY 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to July)
		Number	Workers involved	Duration in man-days	
Nfld.....	4	4	899	1,600	117,310
P.E.I.....	0	0	0	0	0
N.S.....	1	6	1,046	8,390	10,630
N.B.....	1	2	430	2,360	11,910
Québec.....	8	84	9,010	155,100	1,025,870
Ontario.....	18	37	22,269	247,640	672,600
Manitoba.....	0	1	4	80	18,090
Saskatchewan.....	7	9	298	2,230	24,870
Alberta.....	2	6	2,812	19,880	51,260
B.C.....	6	10	1,429	9,040	72,600
Yukon & N.W.T.....	0	0	0	0	0
Total, provinces....	47	159	38,197	446,320	2,005,140
Federal Public Service(1).....	2	2	1,265	2,490	6,070
Federal Industries(2).....	2	8	1,343	17,840	142,140
Federal total.....	4	10	2,608	20,330	148,210
TOTAL.....	51	169	40,805	466,650	2,153,350

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union. (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

The Law Relating to Working Women. Summarizes selected international instruments and Canadian legislation, both federal and provincial, relating to the status of women in employment. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French)

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

Occupational safety and health

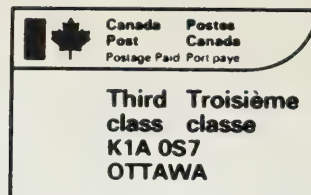
Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division. 1976. Free.

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**Labour
Canada**

**Travail
Canada**

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newswire

WORKING TIME

Daily hours decline, flextime still a novelty

A 1977 survey of Canadian employers finds that while a trend toward reduced hours of work continues, flexible working hours are available in only a minority of workplaces. A Toronto-based firm, The Canadian Labour Views Company, analyzed responses from 1,114 private sector employers, with 196,005 employees, and 168 public-sector employers, with 82,881 employees.

CLV reports that, as in 1976, the most predominant group in the 1977 survey is made up of employers that have 7½ daily hours and 37½ weekly hours — 47.4 per cent of the sample, a minor increase of only 0.2 per cent of the sample in the year. However, the next largest category, 23.6 per cent, has a seven-hour day and a 35-hour week, up by 3.5 per cent from 1976. And the category with daily hours of 7¼ and weekly hours of 36¼ accounts for 9.3 per cent of the sample, an increase of 1.2 per cent.

The most significant change, however, is in the category of employers with an eight-hour day and a 40-hour week — 11.7 per cent this year, and a decrease in the sample of 6.4 per cent from 1976 and of 9.9 per cent since 1974.

In the public sector, hours of work are significantly lower than in the private sector, with 61.9 per cent of employers having a seven-hour day and a 35-hour week, and 15.5 per cent a 7½-hour day and a 37½-hour week.

The report describes flexible working hours as “still a novelty” even though they have been “in the forefront of new approaches to employer-employee relations in the last four or five years.” Only about 12.5 per cent of the employers have adopted any form of flexible working hours, including staggered hours, for employees.

CLV says it compiled its data on an employer-weighted basis rather than an employee-weighted basis. Otherwise, the report said, “small and medium-sized firms, although outnumbering large employers, would be lost in the shuffle.” Office and technical employees of about 87 per cent of the private sector employers are non-unionized, 10.6 per cent are unionized and of the other 2.4 per cent, “partially unionized”. In the public sector, the non-unionized percentage is 47.6.

CLV reports that 33.6 per cent of the employers granted 11 days of paid holidays in 1977, 31.6 per cent 10 days and only 11.7 per cent 12 days. That 11.7 per cent was an increase of only 0.5 per cent of the sample since a similar survey in 1976. “Thus it appears that a paid holiday provision of 11 days is, and may continue to be, the predominant provision.” It notes that this situation could change,

however, if the 12 extra days of paid “personal leave” over three years, provided in the current auto agreements, should begin filtering through the economy.

Three weeks’ vacation with pay is granted after five years by 54.7 per cent of the employers, after four years by 3.2 per cent, after three years by 11.2 per cent and after six years or more by 21.6 per cent. Four weeks’ vacation is granted after 15 years of service by 39.8 per cent and after 10 years by 19.6 per cent. The survey found a significant increase from 1976 in the percentage of employers granting five weeks’ vacation after 20 to 25 years inclusive — from 49.3 per cent to 55.8 per cent.

The survey also questioned employers on whether they have a Christmas shutdown — a large contributing factor to the general increase in paid holidays. Almost 25 per cent of all respondents replied that they have a Christmas shutdown, but only 2 per cent of public service employers responding have a Christmas shutdown regularly and another 7 per cent “sometimes.”

U.S. work week profile

A survey by the U.S. Bureau of Census shows that only about 1.2 per cent of workers were on a four-day work week in 1976. No industry or occupation showed extensive use of four-day work weeks, the bureau reports. The proportion of full-time workers on a five-day work week in the United States increased from 81.0 per cent in 1973 to 83.7 per cent in 1975 but remained at that level in May 1976.

Workers on six-day schedules, however, declined from 10.6 per cent in 1973 to 8.3 per cent in 1975 but rose to 8.8 per cent in 1976.

And workers on 5-day schedules declined from 4.7 per cent in 1973 to 3.9 per cent in 1975 and stayed at that level the following year.

THE ECONOMY

Mini budget

Incomes controls under the anti-inflation program will be phased out starting April 14, 1978, two-and-a-half years after the program started. Finance Minister Jean Chretien announced the date in an Oct. 20 economic and fiscal statement to the Commons. He also announced that the permissible wage and salary increase in the third year of controls will be reduced from 8 per cent to 6 per cent.

"In the phased process of decontrol (beginning mid-April), employees will be free of controls for the guideline years which start after that date," he said. "Business will be free of price and profits controls for their fiscal years which begin after that date."

Chretien also predicted that "barring unforeseen events," the rate of inflation will come down below 6 per cent next year, "so the lower guidelines will not lead to a fall in real incomes."

To stimulate a lagging economy, with unemployment at 8.3 per cent, Chretien announced a personal income tax cut of up to \$100 for low and middle income taxpayers and a \$100 million program of credits to employers for job creation, details of which are to be announced later. In addition to a total of \$450 million allotted this year for Canada Works, Young Canada Workers and other job creation programs, another \$150 million will be

provided for work projects with a high employment content — "focussed on high unemployment areas and beginning immediately."

In his statement, the minister said he expects the economy to grow in real terms by 5 per cent next year.

He said the country has "serious" economic problems, but called on Canadians "to adopt once again the spirit of adventure and taste for risks of the people who built Canada. "I know that the vast majority of Canadians want to roll up their sleeves, use their imagination, create, and produce in the manner of those who came before us," he said.

He also promised strict restraints on government spending, but still estimated that the government's total financial requirements will increase from \$5.5 billion in 1976-77 to \$8.5 billion in 1977-78.

The Canadian Labour Congress reacted negatively to the statement. "Instead of removing controls immediately as it has been advised by labour, business and a host of economists, the government has actually tightened up on controls," CLC President Joe Morris complained in a statement. "The reduction of 2 per cent in what would have been the allowable wage increase under the old controls regulations will rob the economy by up to a possible \$2 billion in lost wages — money which would have gone back into the economy for the purchase of goods, which would have stimulated jobs."

"In addition, the controls have actually been extended instead of shortened," he added. "The April 14, 1978 beginning for a phased withdrawal of the program will leave many thousands of working people under their effect well after

the original Dec. 31, 1978 termination date."

Morris said the government job stimulation promises would "at best" create an additional 50,000 jobs — a "paltry figure" when well over a million Canadians will be without work this winter."

CONSTRUCTION

Quebec issues new regulations

The Quebec government adopted new regulations governing union hiring halls in September. The halls, renamed "union hiring agencies," are required to provide details of their internal operations to the Office de la construction du Québec, which issues operation permits that may be revoked at any time. The agencies must comply with a code of ethics and abide by a new manpower quota system designed to provide greater job security to the province's 125,000 construction workers. Under the quota system, unionized employees with experience in construction will be given priority in hiring over applicants with no experience.

Operations of union hiring halls have long been a subject of controversy in the province, with complaints of blackmail and discrimination-practices specifically forbidden under the new regulations. Spokesmen for the construction group of the Confederation of National Trade Unions welcomed the reforms for meeting the group's long-standing demands that job applicants with no previous experience in construction be barred as long as employees with seniority are without work. However, the group criticized the lack of provision for "a fair and effective appeal mechanism."

HEALTH AND SAFETY

OSHA plan for chemicals

The United States Occupational Safety and Health Administration has unveiled a comprehensive plan to regulate cancer-causing chemicals in industry. At least a year of hearings and revisions is expected, however, before the program can be implemented.

The government wants to set up a uniform system for regulating an entire class of worker hazards instead of setting individual exposure limits for specific substances. The proposal outlines the evidence the government would use to classify cancer-causing chemicals and to determine possible levels of exposures. In the past, cancer-causing agents have been dealt with on a case-by-case basis, a system Labor Secretary Ray Marshall has described as "trying to put out a forest fire one tree at a time."

Only 17 of the 15,000 to 20,000 chemicals identified as known or suspected to have caused cancer have been brought under regulatory action by the Administration in its six-year existence. But agency officials estimate that there are nearly 100 chemicals that could be classified as confirmed carcinogens as soon as the new plan was implemented.

The proposals were announced as officials of the National Institute of Occupational Safety and Health reported the results of a survey estimating that close to 1 million U.S. workers are potentially exposed to known carcinogens at their workplace.

The survey estimated that another 20 million workers — about one quarter of the labour force —

encounter potentially dangerous pollutants at their jobs, ranging from noise and oil mists to known cancer-causing agents such as asbestos and benzene.

Vocational diseases increasing

More and more industrial and vocational diseases are being discovered in West Germany as in other industrial countries. In the past 15 years the number of "recognized occupational illnesses" has risen from 40 to 49, according to the July issue of the government's monthly *Sozial-Report*. The "new" occupational diseases include chemical diseases to the eyes, the effects of Laser beams, and "farmers' lungs" a disease caused by inhaling protein-laden dust from hay or grain.

There are 6,000 company doctors in the country and they are required by law to have special knowledge of industrial medicine as well as experience in physiology, psychology and ergonomics.

EDUCATION

Management training inappropriate?

A report in the Oct. 3 *Financial Times* says millions of dollars a year are being wasted on management training courses by Canadian companies. Staff writer Les Whittington says many companies send managers to inappropriate or inadequate courses or fail to allow them to apply what they have learned when the course is over.

Whittington says those opinions emerge from interviews with 30 management consultants and corporate and government manage-

ment training officers across the country. He comments: "They paint a picture of top-level executives who may be tough, sophisticated and cost-conscious in most aspects of business but are often naive when confronted with the need to improve themselves or their subordinates through training."

A management training boom is sweeping North America, he writes. "Bell Canada, for example, now spends \$900,000 a year training managers. Shell Canada Ltd. spends an estimated \$500,000. The Bank of Montreal \$3 million, Steel Co. of Canada Ltd. (Stelco) \$214,000." And topping all of them is the federal government with an annual spending of \$56 million on training.

A corporation has three options to trying to improve its managers' abilities: developing its own in-house program, bringing in management consultants to conduct courses, or sending executives to seminars or training courses outside the company. There now are 3,000 such outside courses, Whittington says, covering every facet of management, offered by 90 organizations.

While management consulting firms and universities offer some of the courses, the vast majority are put on by management training institutes or associations. He estimates that from 100,000 to 200,000 managers attend courses offered by these organizations every year, costing a total of \$35 million or more. "Many executives will pay about \$1,000, including course fees, travel and hotel costs for a three-day seminar. And a major corporation may send from 300 to 500 people a year on course," he observes.

He heard complaints that the courses are often too general, not

tailored to the specific needs of a company or industry, and too often promoted on the basis of famous speakers or fashionable topics "which turn out to be only marginally useful." Other complaints were that too many companies did not allow the course taker to apply whatever knowledge he had gained, or treated courses as a "one-shot solution."

Although there is a current trend among employers toward developing in-house courses, Whittington says "the market for seminars seems to be growing as managers struggle to cope with today's rapidly changing business environment. He says companies may feel they have little choice but to engage in some "defensive" management improvements. And he quotes Helen Vien-Tremblay, manager of outside programs for the Royal Bank of Canada: "The courses minimize the risks that a manager is not going to be able to do what he was hired for."

EMPLOYEE COMPENSATION

Increases for managers decline

Salary increases for managers are averaging 9.2 per cent in Canada this year, according to a survey of 650 corporations by H.V. Chapman and Associates Ltd., Toronto management consultants. It is the first year since 1973 that average annual increases for middle and upper management have been below 10 per cent.

The survey attributes much of the change to Anti-Inflation Board regulations. Among companies subject to AIB rules, less than one manager in 10 has received a salary increase of 10 per cent or

more, but among companies not subject to the mandatory guidelines, nearly 66 per cent gave raises above 10 per cent. In general, the annual survey shows, compensation increases have declined steadily since 1975 when they averaged 14.2 per cent, their highest point so far in the 1970s. The survey covers 50 management positions but excludes chief executives.

INDUSTRIAL RELATIONS

OECD praises Japan

Western industrialized nations have much to learn from Japan about enhancing productivity and the quality of working life, according to a recently released report by the Organization for Economic Co-operation and Development. The report draws particular attention to Japan's success in achieving "the single-minded co-operation of labour and management within enterprises."

"Coupled with this is the confidence that important decisions, even if they do not satisfy everyone, will be reached by consensus and are not likely to result from management using a strategically powerful position to achieve something at the expense of the workers, or workers using their power to make management accept a policy which may be detrimental to efficiency," the report adds.

The OECD report has a great deal of praise for Japan's industrial relations system in developing a sound economy: "The system provides an effective means of determining wages, working conditions and employment practices, and a framework for interaction

between the parties to the system which is stable and both conducive to a high level of performance and the satisfaction of the parties, and, indeed, to the community as a whole."

It describes the system as based on three "pillars" — lifetime or "career" employment, seniority wages and enterprise trade unions. Once a worker joins a large Japanese company he expects to stay with that firm until he retires, unless he is guilty of misconduct. Under "seniority" wages he can expect his initially low income to increase until his retirement, regardless of his specific work assignment. Almost 95 per cent of Japanese unions are made up of members working for an individual employer. Such "enterprise unions" represent 80 per cent of all unionized employees in Japan.

The report also says that these pillars almost eliminate resistance by employees to technological or structural change, since workers' incomes or job security are not threatened. The one major drawback is, of course, frequent over-manning, since a company is not free to reduce its workforce.

However, the report predicts the possibility of changes in the system because of changing attitudes of Japanese workers who are showing concern that economic growth is taking too high a toll on the environment. Workers are also showing more interest in adequate housing and social security than in increased disposable income. Finally, as in several other industrial countries, there appears to be a falling off in traditional devotion to work, particularly among young workers. The OECD report is entitled *The Development of Industrial Relations Systems: Some implications of Japanese experience.* [G]

Are independent local unions company dominated?

A recent survey of independent local unions in Canada finds that they do not consider themselves as "company" unions accepting substandard wages and working conditions. Nevertheless, there are differences in their attitudes and practices from those of unions in the mainstream of organized labour.

They are more reluctant to use the strike weapon, believe in co-operative rather than adversary employer-employee relations, and support the Anti-Inflation Board's mandatory wage guidelines. Overwhelmingly they see inflation as a prime problem facing society, listing the others, in order, as big government, big business, big unions and unemployment.

The study, believed to be the first ever conducted of the independents in Canada, was undertaken by G.S. Rajan, an associate professor in the department of management at Concordia University, Montreal, and W. Grigoleitis, a graduate student in business administration.

As a result of their research, they maintain that the independent unions cannot be dismissed as "employer dominated and weak" labour organizations. One reason for this, of course, is that the independents are able to hold out to their employers the threat of affiliation with a larger and more powerful organization.

"Inequitable treatment today would push these unions into the

camp of the more aggressive and militant unions to the likely detriment of the company," the researchers say. Hence they exist "in the trend-setting shadow of the large dominant labour organizations, and reap the fruit not because of their outstanding abilities or employers' benevolence but because of a realistic appraisal of the employers' alternatives."

The independents have been losing ground — representing 2.7 per cent of the labour force in 1964 but only 1.4 per cent in 1975. Most of them operate in the general manufacturing and service industry but they also represent workers in the food and beverage industries as well as such diverse categories as airline pilots, tar sand operators, foreign service operators and nurses. Only a minority call themselves unions. Most call themselves associations or use such titles as "committee," "society" or "collective bargaining organization."

Rajan and Grigoleitis mailed a questionnaire to all 114 organizations that met their definition of "an independent, unaffiliated local that deals with a single employer, and that is certified as a bargaining unit under the appropriate legislation." They received 60 returns — representing every province except Newfoundland

Job security and indexation are not top priority issues in contract negotiations

and Nova Scotia — of which five had to be excluded because the unions had either ceased to function or had become part of a regional or national labour organization.

Independent local unions are not subject to the reporting requirements of the Corporations and Labour Returns Reporting Act and the authors say they are frequently reluctant to disclose any information to government or anyone else. Even their listing in the Labour Canada directory, *Labour Organizations in Canada* "is being criticized as an invitation to be raided by the more powerful and larger labour organizations," the authors observe.

The oldest union responding to the survey was founded 36 years ago and the youngest in 1976, with the average age 18 years. Average membership size is 353 — ranging from a low of 10 to a high of 3,350. About 55 per cent represent blue-collar workers only, 13 per cent professionals only, 7 per cent white-collar employees only and 11 per cent both blue- and white-collar. Fifteen of the unions represent employees of large multinational corporations such as Gulf Oil, Pepsi Cola and RCA.

About 60 per cent report that they hold executive meetings regularly — at least once a month. But only 31 per cent compensate their leaders and other executive officers in any way. Overall average attendance at membership meetings is 49 per cent — ranging

from 19 per cent for unions with 500 or more members to an average 58 per cent for those with smaller memberships.

Union dues average \$5 a month. This is about the level of major affiliated unions of 10 years ago and, the authors contend, would support the belief "that low union dues are one of the attractive features of independent local unions." However, if members pay lower dues, they may be getting less in return: "The independent union has limited financial resources, which seems to be compatible with a low level of service and may be indicative of the limited expectations, including the absence of confrontation with the employer."

They depart from the inevitable adversary position normally associated with the mainstream of organized labour

Some light on the unions' attitudes and expectations is shown by their responses to questions about the way their employers accepted them: 75 per cent of employers "welcomed" the establishment of the union, 14 per cent expressed "indifference" and only 11 per cent expressed "annoyance." Moreover, 87 per cent of the unions reported their relationships with the employer as "positive." The researchers comment: "This may be an indication of harmony or an expression of weakness on the part of the labour organizations studied."

Only 5 of the 55 unions report ever having had a strike, and the duration of the strikes ranged from one day to six weeks. "It would be safe to suggest that these independent locals have overwhelmingly stayed away from strikes," Rajan and Grigoleitis note.

The unions give priority to monetary issues in contract negotiations. Next in order are working conditions, and fringe benefits. Also given importance are respect for the contract, safety and language — French and English — issues. "Job security and indexation were not placed at the top at all," the researchers report.

About 44 per cent of the locals said they had been approached by larger organizations regarding affiliation, 29 per cent considered the possibility, and 16 per cent have threatened such affiliation "as a tactical move during negotiations." Eight of the unions with 500 or more members said they had been targets of unsuccessful raids by larger national and international

"There is some renewed virtue in being politically uncommitted and philosophically committed only to the continued welfare of the membership and the company"

unions but only 5 per cent of the smaller locals. Most of the raiding attempts were in Quebec, Ontario and British Columbia.

Responses to questions about the philosophy of the independent unions indicate "an idealistic view of employer-employee relations, and a departure from the inevitable adversary position normally associated with the mainstream of



"I'M AFRAID YOU MISUNDERSTOOD WHAT WE MEANT BY SELF-IMPROVEMENT ON THE JOB, MISS HARTWELL"

organized labour," the researchers report. "The unions think they are benefiting from this approach of co-operation instead of confrontation.

"Union leaders insist that their objectives are to get a fair deal and protection for individual members through collective bargaining and that a reasoned dialogue for the mutual benefit of union members and the company is possible through a small union. There were only two unions that felt their smallness prevented them from being very effective in their relationship with their employer.

"Mostly the leaders believe that good common sense and honesty were traits expected from them as well as an open and democratic conduct of union affairs, which they say is possible in a small union. Union responsibilities must centre around the welfare of their members, reflecting their collective wishes and aspirations, and smallness, they say, is conducive to this."

These, in order of importance, are the reasons the unions list for remaining independent: "fast and personalized service to members; lower union dues; closer relationship between the employer and the union; better knowledge of the company's operations and its procedures; lower cost of running the union; small unions can be free from union power struggle and politics commonly found in large unions; employers' preference to deal with smaller unions;

ability to have agreements to suit the local conditions; advantage of knowing members individually and personally."

The researchers add: "These unions do not see themselves as convenient 'company' unions established to protect the employer; rather they view themselves as 'legitimate' and 'reasonable' labour organizations which achieve in a harmonious way what others have to extract in an adversary climate."

They support the Anti-Inflation Board's mandatory wage guidelines and see inflation as a prime problem facing society

All but three respondents were satisfied with their present status, stressing the good treatment they had received from the employer and expressing the hope that it would continue. Of the other three, one was concerned about its future because of company restructuring and the other two felt "that their future lay with larger labour organizations."

In their appraisal of the questionnaire responses, Rajan and Grigoleitis maintain that "total dismissal of weak independent unions as employer-dominated and non-viable labour organizations does not seem to be appropriate with even the smaller Canadian independent local unions. Total dependence on the employers'

Their listing in the Labour Canada directory Labour Organizations in Canada, "is being criticized as an invitation to be raided"

benevolence no longer seems relevant in times of job mobility, vigilant labour relations boards and labour conscious governments. Even the smallest Canadian independent unions seem to be satisfied with the treatment they receive in the light of all the comparative information available to them. Some of the independent locals still feel the limitations of their small size, but most small and certainly the larger independent locals appear to be capable of a mature collective bargaining relationship.

"At a time when labour organizations are being accused of having become too powerful to the detriment of society, there is some renewed virtue in being politically uncommitted and philosophically committed only to the continued welfare of the membership and the company."

The researchers believe that inequitable treatment by employers "would push these unions into the camp of the more aggressive and militant unions to the likely detriment of the company. The quiet sufferance of substandard conditions appears to be an improbable situation today." [9]

R.L.

Major amendments to the Canada Labour Code

Labour Minister John Munro has introduced in the Commons an omnibus bill proposing the first major revisions to the Canada Labour Code in five years. Described by Munro as a "charter for workers' rights though as yet not a full and complete one," the basic objectives of the amendments, introduced Oct. 27, would be to improve the protection of workers, particularly the unorganized, improve job satisfaction and reduce labour relations conflict. Improving job satisfaction is also seen as enhancing productivity and employer-employee relations and reducing absenteeism.

Amendments to Part IV of the Code, dealing with safety and health of workers, would give employees the right to withdraw, without loss of pay, from work situations which they consider pose imminent personal danger. They would also enable the establishment of employer-employee safety committees. The committees would identify work hazards and ensure that they are corrected, and would also provide employees with a voice in matters related to job safety.

Amendments to Part III of the Code, which deals with labour standards, would extend the benefits of the Code except those related to hours of work, to managerial and professional employees. The amendments would also extend protection against unjust firing, with the right to appeal; provide employees with basic job protection during periods of sickness; provide paid leave to qualified employees when a member of their family dies; require

employers to pay all wages due to their employees on a regular and timely basis; increase to nine the number of Statutory Holidays by adding Boxing Day, and eliminate pregnancy as a cause for layoff or dismissal. Under the present standard employers may dismiss an employee with less than 12 months' service solely because she is pregnant.

Amendments to Part V, dealing specifically with industrial relations legislation, would require unions to furnish members with financial statements; give the Canada Labour Relations Board more discretion to order representation votes and related run-off votes; remove administrative obstacles to certification of councils of trade unions so as to facilitate the creation of broader-based bargaining units; require that unions fairly represent members of the bargaining unit; ensure fair and objective referral procedures by union hiring halls, and authorize the CLRB to establish the terms of a first agreement, on referral from the minister.

Munro said the Part V amendments are intended to reduce delays in administering the collective bargaining process; to increase the rights of the individual, and to reduce tensions between labour and management, and thus reinforce the collective bargaining system.

In a brief statement, Donald Montgomery, secretary-treasurer of the Canadian Labour Congress, criticized the amendments for "holding out a false hope to unorganized workers." He also said

that he believes from organized labour's experience with equal pay legislation, that "it is doubtful that many unorganized workers who are unjustly fired would risk the wrath of the employer by seeking out an official of the federal labour department to lay a complaint formally."

Noting that the amendment would include an adjudication process for which the government would cover the expense, Montgomery asked: "Why should the government not cover the costs of union members who use grievance procedures in their union contracts and go to arbitration to appeal unjust dismissals?"

Montgomery declined to comment on the legislation in detail until he had seen the regulations concerning hours of work and the establishment of work-site health and safety committees.

Munro described the proposed revisions as an integral part of Labour Canada's broad program of initiatives designed "to improve the working environment in general, and buttress the collective bargaining process and the labour relations system." They both reflect "the advancement that has taken place generally in the labour field" and also correct "some problems that arise in the administration of the Code."

The bill affects about 550,000 workers in the federally-regulated private sector in industries such as railways, airlines, banking, trucking, broadcasting, grain-handling, communications and port operations. [19]

Canada's economy: the challenges ahead

by George Post

In the following article, George Post discusses some of the major issues facing the Canadian economy. His primary concern is that we may focus too much attention on our immediate problems and not enough on the more basic structural adjustments that are required to maintain a healthy economy.

Let's face it, the present performance of the economy is disappointing. The principal indicators of this poor performance are excess capacity and high levels of unemployment. The immediate causes are quite apparent:

- The growth of our exports to the United States and other OECD countries has been relatively modest for the early stages of a business cycle recovery.
- Business investment spending for both capital facilities and for inventories has been slack.
- The growth of government expenditures has been tightly controlled.
- Consumers' inclinations to spend out of disposable income have been very subdued and when they have spent they have bought a lot of imported goods.

The reasons behind each of the components of this weak aggregate demand picture are also fairly apparent. Fear of inflation and oil import costs have made many countries shy away from aggressive demand stimulation policies; excess capacity and slim rate-of-return projections have discouraged business investment; uncer-

George Post is acting chairman of the Economic Council of Canada.

tainty about controls, inflation and even Confederation have cast a gloomy shadow over both businessmen and consumers, and governments have received a clear indication that public opinion favours restraint.

The recent evolution of prices is also discouraging in spite of more moderate wage settlements. Raw materials and food commodity prices that were weak last year have been stronger in 1977, and energy prices continue to rise. Profits have been slack due to weak productivity performance so that business can justify passing along cost increases without violating the A.I.B. guidelines.

By the coincidence of these developments, we find ourselves in a situation where unemployment is significantly higher than a year ago and especially high for young people, consumer prices are going up faster than a year ago, and our balance of payments deficit is large and persistent.

Nevertheless, the Canadian economy has been growing — however slowly. Since the second quarter of 1975 (when the U.S.

There must be a better match between the jobs provided and the education, interests and expectations of the people involved

recession is assumed to have touched bottom) employment in Canada has increased by 381,000 or 4.1 per cent, industrial production has increased by 9 per cent and exports have grown by 15.7 per cent.

With present excess capacity and unemployment, traditional stabilization policy would call for government measures to stimulate the economy and hence make use of the resources that would otherwise be idle to create goods and services that would otherwise be foregone. But Canadian authorities find themselves in the same quandary as governments in other countries that are highly dependent on international trade — for example, Australia, Belgium, Holland and Sweden.

First, there is little they can do through domestic measures to stimulate export demand. If they do stimulate domestic demand some of this will spill over into increased imports and aggravate balance of payments deficits that are already high. Further, they risk getting into a position of capacity utilization that will limit their ability to compete in export markets when international demand picks up. Secondly, increased government deficits to stimulate the domestic economy may push up domestic interest rates and/or the foreign exchange rate, which would depress business investment, housing and exports. Finally, stimulation may undercut domestic programs to reduce cost and price increases. It is certainly tough to be a Minister of Finance these days.



"And remember, son, don't take any wooden nickels or Canadian money."

The projections prepared by the Economic Council of Canada suggest that with the risks of continuing cost pressures after the ending of controls, it will be desirable to stimulate demand and employment growth rather carefully and that it may take several years to achieve acceptable unemployment and inflation targets. Though we foresee a modest recovery led mainly by exports in the next two years, with present policy settings growth in GNP will not be strong as we move into the 1980s. Domestic capital spending will be sustained by the energy-related construction projects initiated in this period, but the stimulus will likely be localized. Employment is not expected to grow much faster than the labour force; as a result, unemployment is projected to remain high. On the inflation front, cost-push pressures still present in the domestic economy, combined with projected relatively high inflation rates in other OECD countries, are likely to subject Canadian prices to continuing upward pressures.

higher. The main implications of this are that Canadian wages will remain high by international standards while the hard core of unemployment should gradually fall, Canadian business should be aware of, and concerned with, this trend.

We must not try to force a labour force educated for the 1980s into an antiquated manufacturing sector or an obsolete industrial relations system

The second issue concerns *international trade*. Canada's current account deficit is high and its share of world exports has been declining steadily in recent years, particularly in more highly processed exports.

Increased competition from the other developed countries and especially the U.S. is expected as a result of negotiated tariff reduc-

tions. We should also expect increased competition from developing countries because they will be desperately pressed by population growth and by food and fuel costs to sell more abroad. North-American-based multinational corporations will be helping them with the capital equipment and the marketing contacts needed to produce and sell standard-technology products in world markets. We should expect too that Canadian imports of services from foreigners will continue to climb — whether in the form of tourist expenditures, business fees or interest payments.

In this longer-term perspective Canadians must choose the extent that they should earn our imports by exporting raw materials rather than manufactured goods or services and the extent that they should rely on foreign rather than domestic savings. These issues of international competitiveness and national identity are not yet sufficiently resolved in Canada. Canadian businessmen should be con-

Quite apart from the problems of cyclical economic performance, which receive a lot of attention, there are other, longer-term, challenges for the Canadian economy. Among the trends affecting the shape and structure of the economy, five issues are worthy of mention. They are substantially inter-related and each will require considerable adaptability of perceptions and behaviour.

The first trend is that the *potential rate of economic growth in Canada is likely to slow*, partly because population growth has slowed and partly because the pattern of demand seems likely to shift toward service activities where productivity improvements will be harder to achieve. The average age and the average level of skill in our labour force will, however, be

cerned about the trends in our balance of payments.

A key determinant of trends in international trade is, of course, the *structure of Canadian industry*. To quote from *Agenda for Co-operation*, recently published by the federal government, "We have too many industries in which we are not competitive, too few firms which meet world standards of productivity. If we are to continue to grow at rates we all consider desirable we will have to shift resources from some existing industries to other industries, and from some firms to other firms." This could involve a redistribution of resources between manufacturing, resource industries and services, to reflect changing market opportunities and changing technologies. Planning for structural change must also recognize changing national objectives and public attitudes. There must be a better match between the jobs provided and the education, interests and expectations of the people involved. The economic system should serve the population — not the reverse. Hence the pattern of incentives and the framework for private economic decisions should be realistic and clearly understood. We are only asking for trouble if we try to force a labour force educated for the 1980s into an antiquated manufacturing sector or an obsolete industrial relations system.

Whatever the nature of Canadian business activity, much more attention will have to be given to its location. It does not make sense economically or socially to have a steady agglomeration of industry in the largest cities where there is a labour shortage while there are substantial pockets of unemployed and underemployed workers in other regions. In a recent study, the Science Council made an eloquent plea that

The true costs of failing to use available resources in depressed areas are enormous

economic policy decisions and the price of output reflect all of the costs concerned — both those that are external to the firm, such as pollution or community dislocation, as well as those that are internal. Nowhere is this principle more important than in decisions about the location of plants and production. The true costs of failing to use available resources in our depressed regions are enormous when account is taken of the waste of resources and the income maintenance payments in lieu of employment. Even then, transfer payments and handouts are no substitutes for the self-respect that comes with jobs in a work-oriented society.

The fourth basic issue is the *level and nature of investment*. There is substantial agreement among observers that a relatively high level of investment will be required in Canada over the next five years — to incorporate new technology and cut costs, to conserve energy, to develop new energy sources, to increase capacity, and so on. Canada's economy will surely continue to be capital-intensive.

Sometimes, however, one wonders if capital may be too plentiful here — in the sense that it isn't always used effectively. Over the last 20 years the average level of productivity in Japanese manufacturing improved from a level only half as high as that in Canada to a level that is equal to Canada's, yet the capital stock in Japanese manufacturing is only 60 per cent of what we use. With the incentives and institutions we have to encourage saving and stimulate investment we sometimes end up with very

poor output-to-capital ratios — and not just in the public sector. On the other hand, we may not be investing enough in some industries like tourism or public transportation. Canadian businessmen should be concerned about the adequacy and allocation of investment in this country.

The final long-term issue is the existence of a *built-in inflation bias*. It is most intractable because it is poorly understood and surrounded by vast amounts of emotional rhetoric. The problem is essentially the following. Over the past three decades governments have gradually assumed responsibility for managing the overall level of demand in the national economy. The result of the continued application of this policy is that it

Full employment policies make a lot of sense in the short term but create rigidities and troublesome cost-push tendencies in the long term

is easy to raise prices but rarely do they fall. If there is excess capacity and unused resources the accepted strategy is to sit tight and hope for a more stimulative demand management policy which will improve activity and demand and bring the unused resources or unemployed people back into use. Professor Galbraith has argued that these demand management policies have provided a particular incentive for large businesses and labour unions to develop and use their market power to avoid competitive behaviour during periods of slack activity. In the short term full employment policies make a lot of sense, but in the long term they create rigidities and cost-push tendencies that are very troublesome indeed.

If it is widely believed by all major

groups in the economy that there is no need to accept a cut in their own real incomes in order to sell their output, each group will immediately attempt to pass on any price or cost increase. Accordingly, any external shock or adverse development which implies an inevitable drop in average real income will set off a continuing round of price changes until the shock is finally absorbed by increases in production in the system or by certain weak or gullible groups that can't or don't protect themselves. The dramatic shift in purchasing power from oil users to oil producers set off a shock wave of price increases that we have still not absorbed.

This is not a tale of villains, even though there are lots of opportunities for name-calling and finger-pointing. Businesses marking up their cost increases become "profiteers," unions protecting their real incomes and anticipating price increases over the contract period are "greedy," and governments incurring deficits to create

It is the role of unions to protect their members and it is perfectly normal for businessmen to maintain a healthy rate of return

employment and maintain demand are "growing out of control." But of course all act according to their own interests and clearly perceived responsibilities; it is the role of unions to protect their members and it is perfectly normal for businessmen to maintain a healthy rate of return, and we all expect government to assume the responsibility for job creation and to maintain high levels of activity. We have an economic structure which in the long term is inherently inflationary.

This diagnosis isn't new and some economists argue that it is not a particularly worrisome state of affairs so long as inflation in one country doesn't get out of line with the rate experienced by its

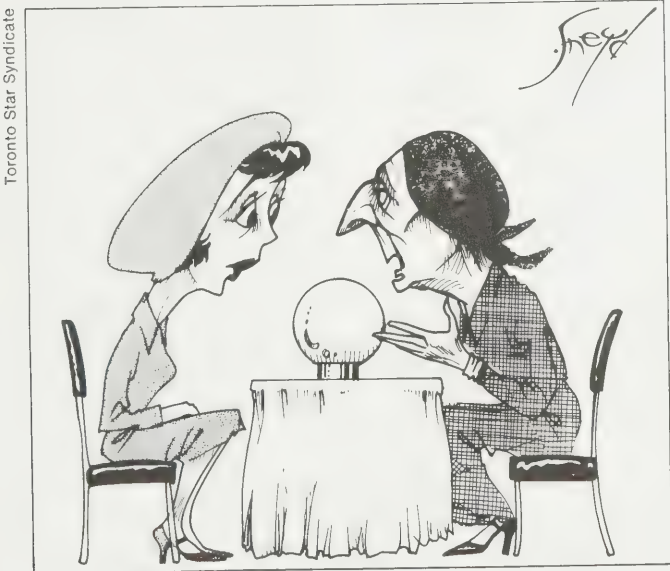
major trading partners. Nor is there any shortage of proposals to break out of this structural dilemma. But most of the solutions require businessmen to stop acting like business executives, union leaders to ignore the interests of their members and government leaders to tolerate much poorer economic performance.

Based on recent experience, it is hard to be very optimistic about the capacity of Canadian society to make necessary adjustments. In the long-term perspective Canada is a very fortunate country and Canadians have a relatively promising economic future, provided they can maintain a capacity to cope with the problems of a prosperous but complex economy. It is also my view that we have in this country an unnecessarily large amount of distrust, confrontation, uncertainty and all-round "bad blood."

What can we do? We can and must understand our problems more clearly, complex though they be. We must recognize that the legitimate interests of different groups may conflict and must be reconciled through compromise. We must recognize that the basic problems facing us cannot be "solved" by government.

It takes a lot of information, a lot of analysis and a lot of forward thinking to cope with a complex economy in a specialized and interdependent world.

We need better mechanisms for consultation in this country — a lot of discussion, a lot of communication, between interest groups motivated by a willingness to understand divergent points of view. The Economic Council's efforts to provide a forum for consultation between business and labour have met with disappointment. There have been new



"That will be a dollar for the reading and \$2.50 for the tea."

initiatives toward consultation in recent months by the CLC, by business and by governments. I hope they continue, but I don't think a single tripartite body is the answer; partly because Canadian interest groups are not yet ready for the degree of delegation that it would require and partly because the concept does not recognize the pluralistic, federal diversity of the system we are dealing with. My own view is that Canada needs a variety of consultative groups. There could, for example, be one on energy matters, one on regional disparities, one on commercial policy, and so on. These consultative groups might bear some resemblance to Royal Commissions, although the membership should be larger and should in most cases include government people.

You have only to ask who sets wages and prices to realize that the private sector had a high hand in getting government into controls

We should not forget that a great deal of consultation already occurs on some issues and we should try to build on our successes. I think, for example, about the debate on northern gas pipelines, where thanks to private business and the regulatory process there has been satisfactory discussion of the basic issues. I wish we had people like Justice Berger animating and organizing a discussion of the other questions raised earlier,

We have an economic structure which in the long term is inherently inflationary

such as the extent we want to finance imports through the export of raw materials and how far we want to go in relying on foreign rather than domestic savings.

My third suggestion is that the longer-term issues we are dealing with are too complex to be left to government alone, certainly there is a very important role for governments — to provide information, to legislate incentives where needed, to facilitate adjustment by compensating those who will be injured by necessary changes, to negotiate with foreign governments, and so on. But governments cannot pass laws that lack broad support (witness the efforts to reform the Competition Act), nor can they legislate the details of behaviour. Moreover there is some evidence that when government does intervene to regulate, there is a risk that these regulations will be used by dominant interest groups to protect themselves from competition and change. There are many requests that government should provide more leadership and a clearer definition of national goals but think of the trauma whenever that "leadership" questions some cherished preconception. No, I am afraid that all of the major interest groups are going to have to shoulder some of the responsibility for ensuring that our economy works.

In summary, I would not want to minimize the seriousness of the current economic slowdown in the western countries. The waste of time and talent particularly among our young people and in our most depressed regions is frustrating and unacceptable. Yet the persistence of inflation even with this underutilization of our physical and human capital reminds us that our economy does not adjust and adapt smoothly. This leads me to conclude that we have basic conflicts both about objectives and about means in the Canadian economy. The system is complex and interdependent. Interest groups have reasons for trying to protect themselves from competition, exploitation and technological change. Yet if we are going to maintain the dynamic adaptability which has been a source of Canadian prosperity and ensure that it serves broad national interests, all of us should be prepared to take a longer view. Nowhere is this shortsightedness clearer than in the declaration that "governments got us into controls, let governments get us out." You need only ask yourself who sets most of the wages and prices in Canada to realize the private sector had a big hand in getting the government into controls. I think it is the responsibility of the private sector to help figure out how we can get enough flexibility to run this economy effectively after controls. [9]

The foregoing was condensed from a recent address to the Empire Club of Toronto.

Personalized work schedules

by Roy LaBerge

Flextime — or flextime working hours — is one of the most effective and readily implemented innovations designed to improve the quality of working life. Flex-time enables employees to take responsibility for developing and following their daily starting and finishing times and lunch breaks, within certain limits, as long as they complete the total number of hours required for a normal working day, week or month.

Flextime has been adopted in thousands of workplaces in Western Europe, North America, Australia and Japan, to the benefit of managers, employees and their families, and the communities in which they live. Managers find that flextime improves productivity and morale by removing a frequent cause of worker discontent — starting and ending work at inconvenient hours. For communities, flextime means fewer traffic tie-ups as the same number of people spread their travel to and from work over a longer period of time. For employees, it means being able to adapt working hours to life-style preferences.

For example, employees who live close to their workplace may choose a longer lunch break and eat their midday meal at home. Others may prefer a short meal break and end their work day earlier. A husband and wife can arrange their starting and quitting time to suit their children's school or daycare hours.

Thus one parent takes the children to daycare and the other picks

them up, or one parent is home when the children leave for school and the other when they return. People who are early risers choose an early starting time while late-night television viewers opt for a shift that gives them an extra hour of sleep in the morning.

Flextime is not, however, a panacea for all the ills of the workplace, nor an innovation applicable to all industries. A 1975 study conducted for the International Labour Organization by Heinz Allenspach, director of the Swiss Employers' Association, concluded that while flextime can lead to increased productivity for a country's economy as a whole, it is unsuitable for some forms of shift work or for factory assembly lines requiring the regular presence of a fixed number of workers.

While acknowledging that flextime is more easily applied to employees in service industries, George Sanderson noted in the *The Labour Gazette*, Oct. 1973, that flexible hours have also been adopted successfully in assembly line operations where the parts to be assembled are small and thus allow for 'interim and buffer stocking' at each point along the line: "One member of the chain can stock a certain number of parts to be picked up by the next member when he arrives at work," he notes.

"This method has been tried by the Omega watch company in Switzerland whose management noticed that flexible scheduling

caused a slight drop in production, but a marked improvement in quality — enough to produce a net gain for the company."

Personalized work schedules were first introduced in Germany in 1967 and have since spread so rapidly that the 1975 ILO study noted: "It would hardly be possible to find an innovation that has so quickly and effectively secured the attention of the interested parties."

By the mid-1970s, about 40 per cent of Swiss wage earners were on flextime, 30 per cent of workers in Sweden and 6 per cent (or four million) in West Germany, and the concept was taking hold in the other Scandinavian countries, the Benelux countries, France, Italy, Spain, Britain and Australia, as well as in the U.S. and Canada.

The European experience has demonstrated that flextime increases the ratio of man-hours worked to man-hours paid. "Part of this increase comes from virtual elimination of absenteeism, tardiness, or short periods of unrecorded leave," Sanderson notes. "Under fixed working hours employees frequently take time off to conduct personal business; but when they are permitted some latitude at the beginning and end of the work day, it has been found that they are willing to use their own time for personal matters." Other positive results of European experience include more contented and co-operative workers; fewer on-the-job grievances; more productive employees, and even less need for supervision.

However, Sanderson also observes, personalized work schedules could create some workplace problems. A particular worker with a special skill or knowledge may not be available outside core time, although this problem may be overcome by rotating tasks among employees so that several develop the needed skill. Moreover, supervisors must learn to delegate responsibility. Some find this difficult to do, but those who succeed frequently discover that they have thus developed a more collaborative and productive working relationship with the people they supervise. Some employees may have to be excluded because of the nature of their tasks, and hence may feel resentment. Here, again job rotation may sometimes be the answer.

Flextime has been tried in many U.S. workplaces with positive results from both employer and employee points of view. For example, at the Metropolitan Life Insurance Company's headquarters in New York, 404 employees of the 14,000 total staff participated in a flextime experiment that improved productivity, almost eliminated tardiness and resulted in a marked decline in requests for short-term leave. The U.S. Social Security Administration had similar results from a flextime project initially involving 4,000 of 9,000 employees in metropolitan Baltimore in 1974 and later expanded to include more workers. Smith Kline Corporation launched a flextime program in 1972 involving 3,000 of the 15,000 employees at its head office in Philadelphia. Although most employees immediately welcomed the change, supervisors at first resisted but, after a year, they too realized its benefits. As a result, flextime was extended in 1975 to all the company's employees in Philadelphia.

Berol Corporation, a manufacturer of pens, pencils and markers,

installed flextime for most categories of employees, including production workers, at four of its U.S. plants — in California, Connecticut, Illinois and New Jersey — and found a 50 per cent reduction in absenteeism and a 500 per cent decrease in lateness. The company has extended flextime to its plants in Canada, Mexico and England and, as a result of its experience, has announced its intention to extend it to all of its operations.

One of the biggest and most successful examples of flexible hours in Canada is in the federal government, the dominant employer in the Ottawa-Hull national capital region. In 1974, the government adopted a three-month experimental program involving 2,300 employees and later extended it to

cover more than 80 per cent of its 60,000 employees in the region.

In November 1976, the government announced that it was continuing the program "indefinitely" after a survey concluded that "allowing employees greater flexibility in their working hours seems to have a positive effect not only on their attitudes toward work but also on the overall productivity of the organization." The announcement also mentioned a benefit to the community which "no longer suffers congested streets caused by more than 60,000 federal public servants arriving and departing from work at the same time."

Under the program, the 39 departments and agencies participating were required to provide service to other departments and to the



"SURE PRODUCTION IS WAY UP!" BUT YOU'RE IN BIG TROUBLE WITH THE UNION "

public between 8:30 a.m. and 5 p.m. Employees had to complete a 7½-hour shift each working day, but they were free to start their shift anytime between 7:30 a.m. and 9:30 a.m. and to end it between 3:30 p.m. and 6 p.m. They could have from 30 minutes to an hour and a half for lunch, but all employees were required to be on the job during a "core time" period — from 9:30 to 11:30 in the morning and from 2:30 to 3:30 in the afternoon.

The survey found that productivity was either maintained or increased in all departments. Managers were generally satisfied and identified no major operational problems that could not be resolved satisfactorily. As for the employees, the majority preferred flexible working hours to the previous fixed system. "The flexibility of their working hours has enabled employees to meet personal and family commitments in a more satisfactory manner, improve transportation arrangements to and from work and improve their attitude toward work," the survey report said. Even the local transit commission was happy, describing flextime's introduction as "a significant and very cost effective transportation improvement measure."

Personalized working schedules were also a special boon to hundred of public service employees who were studying part-time at the city's secondary schools and universities, which offered a wide range of credit and non-credit programs and courses through their departments of continuing education.

The government's program also illustrates flextime's effectiveness as a means of enabling employees to take responsibility for an important aspect of their work life. Most departments have been able

to use the honour system to record the number of hours worked by employees each day. Only one department used a "time recording machine."

Positive results were also shown in a 1975 survey of 21 Ontario firms using flextime, conducted by a Toronto firm of management consultants, Haskins and Sells Associates. Fifteen companies reported increased productivity and 19 observed improvements in employee morale, with most attributing this to the disappearances of the "late hassle" and with it a "sense of relief from tension and guilt."

The firms, mostly financial service, retail and utilities, and ranging in size from 37 to 2,700 employees, found generally that personalized work schedules had changed the workers' focus of attention "from filling time to completing assignments."

In addition to the federal government, a wide range of Canadian employers have adopted some form of "flextime," including Metropolitan and Manufacturers Life insurance companies, Imperial Oil, Dominion Loose Leaf Company, Canadian Industries Limited, Southam-Murray, the B.C. and Alberta governments and the City of Edmonton, as well as the Ontario and Quebec provincial police forces.

The Labour Gazette, Oct. 1973, quoted Allenspach as saying that flextime is "in tune with modern society and will therefore continue to spread."

In support of that opinion, the magazine also quoted Gordon Harrison, a management consultant, as saying. "Younger people aren't buying rigid rules any longer. With flexible hours people can say with some meaning: 'I can run my own life'."

Sanderson has observed a growing tendency for workers to achieve "flexibility" in negative ways such as absenteeism, inefficiency, and turnover. He has also noted that increased urbanization and the great increase in the number of women who combine family responsibilities with gainful employment have made flextime even more appropriate for the contemporary world of work.

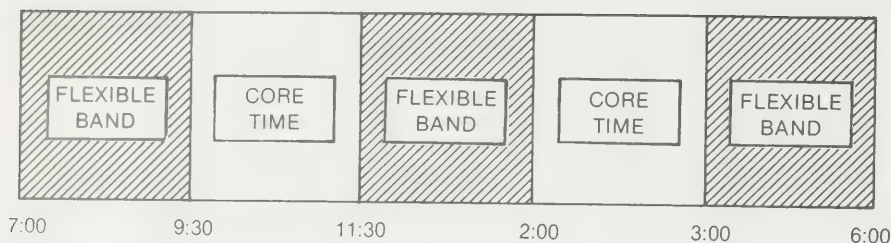
The form of flextime adopted by the federal government in Ottawa — staggered hours within a 7½-hour workday — retains the five-day week. But it is just one of several forms of flextime adopted in Canada and elsewhere, with the result that a new flextime vocabulary is developing.

Flexible schedules vary from firm to firm, but generally, all that's required is that employees complete a certain number of hours each day, week or month, and that they be at work during peak morning and afternoon periods — for instance, 9:30 a.m. to 11:30 a.m., and 1:30 p.m. to 4:30 p.m. In some organizations, the regular seven or eight hours must be completed every day. In others, employees may arrange to work core time only on any one day, and make up the hours on any other day of the week. Their only concern is to complete the prescribed number of hours by the end of the week.

The most popular system in use in Europe employs flexibility within a working month. In this case, the employee may "bank" overtime hours during the busy days or weeks and use the banked hours — that is, take additional time off — in the slack periods. Sometimes, time credits or debits of up to 10 hours may be carried from one month to the next.

"Floating hours" was the system

An example of flexible working hours



Advantages to employer:

Less absenteeism;
Less tardiness;
Longer hours of business with less overtime;
More task sharing by employees;
More effective planning by supervisors;
Less employee discontent;
Improved work quality;
Fewer grievances.

Potential problems: a particular skilled worker unavailable outside core time; supervisors finding difficulty delegating responsibility; exclusion of some categories of employees might cause resentment; increased time-recording costs.

Advantages to employees:

More control over working hours;
More responsibility;
Reduction in travel time and costs;
More opportunities for positive off-the-job activities (e.g., education);
Improved morale;
Improved family relations.

adopted by Sulzer Frères, Switzerland's largest builder of machines and pumps, to extend flextime to foundry teams operating large furnaces. Each work team "floats" as a group, with the team members agreeing on the next day's starting time before leaving work each day.

Flextime, in one form or another, is also known by different names in different countries, for example,


it is "free and variable" time in France, "mobile and dynamic" time in Switzerland and "gliding" time in Germany.

Some versions of flextime permitting employees to work fewer but longer days each week, may require changes in labour legislation, and in 1977 the Canadian government introduced amendments to the Canada Labour Code to facilitate a modified 40-

hour week. However, flextime on a five-day week basis requires no legislative changes in most industrial countries, and usually can be accommodated to existing collective agreements with unions that, understandably, jealously defend overtime provisions they have won whether by legislation or negotiation.

In the U.S., some firms, including Macey's in New York and the Massachusetts Mutual Life Insurance Company, have made wide use of another alternative work pattern — permanent part-time workers, again with positive results for both employer and employees who may choose working hours to suit family and other needs.

Another departure from the norm that has been proposed, but so far little used, is job sharing under which two or more people may agree to work the total hours normally worked by one employee. For example, one might work mornings and the other afternoons, or one work from Monday morning until Wednesday noon and the other the rest of the work week.

Employers who hesitate to consider the feasibility of personalized work schedules for their own employees might heed this advice from Richard J. Schoneberger of the University of Michigan Graduate School of Business Administration: "If you are not more flexible about adapting working schedules and conditions to your workers' home and family needs, you may lose them to employers who are." 

The B.C. forest industry

New agreement produces major breakthroughs

by John Clarke

It took a bit of what you might call old-time collective bargaining, but for the first time in 20 years the International Woodworkers of America and the B.C. forest industry have reached a contract settlement without the help of an outside mediator.

Negotiations during those 20 years were so bad that invariably the provincial government had to appoint industrial inquiry commissioners who ended up writing the terms of settlement themselves. Each time such a report was written the commissioner involved complained about the complexity of the problems in the industry and the failure of the two sides to come to grips with them.

The forest industry is so vital to the economy of British Columbia — it accounts for about half of every dollar in the gross provincial product — that the government simply couldn't let a strike take place. So it appointed such men as Chief Justice Nathan Nemetz whose stature in the community and expertise in labour affairs virtually guaranteed a settlement.

But more often than not the settlement terms were based on the minimum package the union was prepared to accept without resort to a strike. So the union was really dictating the terms and each time an industrial inquiry

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commissioner was appointed another nail was driven into collective bargaining's coffin. There was simply no incentive to bargain.

Until this year, both the IWA and Forest Industrial Relations Ltd., the industry's main bargaining arm, were determined to negotiate without outside help and did so, even after the union had at one stage voted for a strike. That was a significant enough development in itself. But this return to truly "free" collective bargaining produced three major breakthroughs.

First, the total cost of the package, which amounts to an increase of \$1.50 an hour for wages and fringes, is within the industry's own economic guidelines. In the words of one industry spokesman, the cost is also "entirely controllable" because there will be no cost-of-living adjustment clause, as there was in the old agreement.

Specifically, the contract is for two years and provides for a 60-cents-an-hour boost this year on the old base rate of \$7.01, 50 cents an hour in the second year, with an

additional five cents tacked on for the last six months. The increases cover between 35,000 and 40,000 workers in B.C. in both the coastal and interior sections.

The Anti-Inflation Board was not exactly ignored since it was hovering in the background. But the arithmetical AIB guidelines were all but ignored by the negotiators because they were determined to settle on a deal that reflected the industry's own economics.

There was really no hassle over the money issue for a very simple reason. The IWA research economists predicted the rate of inflation would drop in the second year to 6 per cent. On that basis, the union thought it had nothing to gain from a COLA that would not be already covered in the wage increase and "five cents in the hand in the last six months would be better than six or seven cents in the bush" with a COLA.

The industry's economists agreed with the IWA projections. So its money proposals were not only within its own economic guidelines but also were designed to prevent an erosion of purchasing power for its workers.

For an industry with such a poor bargaining record such easy accord in the interpretation of economic statistics and

projections was remarkable. But the second major breakthrough was even more noteworthy.

This contract reverses a trend in which B.C. wages have kept ahead of those in the U.S. Northwest. Until 1968, B.C. wages lagged behind American scales. But that year B.C. jumped ahead and the differential has been widening ever since, putting severe pressure on B.C.'s ability to compete in the huge American market. In June of this year the base labour rate in B.C. was 23 per cent higher than in the Northwest.

The first year of this contract reduces that differential to just over 19 per cent and in the second year it will be 15.3 per cent.

Ever since 1968 the industry has been trying to get the wage rates in the two countries more into line. But the objective was one of the casualties of reliance on industrial inquiry commissioners to resolve the bargaining problems.

It's not likely the B.C. rate will ever drop below the American rate again. But if the B.C. industry can get it down to parity it will be satisfied. Parity is considered absolutely vital if B.C. producers are going to be able to compete with the Americans.

The third major development was the "welding" of separate pension plans in the coast, northern and southern interior regions of the forest industry into one master pension scheme. The interior employers, who bargain independently of Forest Industrial Relations Ltd., had resisted a single plan because they preferred to operate their own plans and because a single scheme might impair their freedom to bargain separately on other issues.

The IWA has threatened a strike if

it could not integrate the plans. But in return for a single pension scheme, it had to accept a two-year rather than a one-year contract. It had gone into negotiations insisting on a one-year agreement so that it would not be locked into iron-clad wage rates should the AIB be disbanded.

In addition to integration of the three plans, pension benefits will be considerably improved. A complicated formula under which pensions were based on a graduated scale of years of service has been replaced by one calculating benefits for each year of past service. Those benefits will amount to \$9 per month for each year so that a man with 30 years in the industry would be entitled to \$270 a month on retirement.

Those already retired and receiving an IWA pension will have it increased by 50 per cent.

It's far too early to predict that future negotiations will go as smoothly as those of 1977. The two sides were operating under a

number of constraints not present in previous years — the fact the AIB is in the wings, periods of unemployment in the last two or three years which have hurt IWA members and probably encouraged restraint on the part of the union, and a desire on both sides to avoid an industry shutdown just when the American market seems to be opening up after a long period in the doldrums.

But the important thing is that both the union and the industry have responded positively to these pressures and turned them into a genuine give-and-take, which is quite the contrary of past experience.

As Forest Labour Relations said: "We have negotiated under our own economic constraints. We are satisfied with the agreement. We can afford it. We have never argued that we couldn't afford it. We have argued that IWA demands were putting the industry in an uncompetitive position."

Now it can say it expects to be more competitive in the future. 19

Toronto Star Syndicate



"Have a cigar. My wife just gave birth to a 7 pound tax deduction."

A quality-of-working-life model

by D.R. Brown

Of the many available definitions or descriptions of "quality of working life" (QWL), the one I find most useful is that an organization is managed collaboratively in such a way that its goals and purposes are achieved and there is growth in the self-worth of the individuals within the organization.

This sets out a very ambitious target but one that is quite attainable because it becomes increasingly evident that — organizations and individuals are increasingly productive when people have an increased opportunity to participate in and contribute to the goals of the organization. In a fully effective organization, organization goals and people goals are mutually supporting rather than conflicting. The qualitative and quantitative features of work and the workplace are interdependent.

To understand why we need to focus on QWL, let us consider the basic question of productivity in Canadian manufacturing industry — for years, Canada has been the world's highest per capita importer of manufactured goods. Unfortunately for Canadian jobs, the excess of our imports of manufactured goods over our exports continues to widen — from \$3 billion in 1970 to \$10 billion in 1976. In 1970 this excess was equivalent to 6.5 per cent of total Canadian manufacturing and by 1976 it had grown to 17 per cent. This widening of the excess of imports over exports meant 180,000 fewer jobs for Canadians in manufacturing in 1976. When we include the very conservative figure of two additional jobs

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supported in the economy for each job in manufacturing, we have a loss of more than half a million Canadian jobs because of this steadily increasing proportion of imported manufactured goods that we Canadians are buying instead of "made in Canada" products.

What has this to do with the quality of working life? As we improve our quality of working life we will be more effective both as individuals and organizations and thus our work and business opportunities will grow. Any hope of increased real income must be matched with improved productivity, or as Walter Reuther colorfully expressed it "compensation increases in excess of output per man-hour are paid for in the wooden nickels of inflation."

Here, three fundamental questions must be considered. Is there a *real* potential for gain and improvement within the Canadian setting? Are people really interested in the kinds of qualitative changes in regard to their work that go under the heading of quality of working

In a fully effective organization, organization goals and people goals are mutually supporting rather than conflicting

life or QWL? If such changes are made, is there greater organizational and individual achievement?

Dealing first with the question: Are people interested? There is a wide range of evidence and one part of this evidence that I believe has relevancy for all of us is the survey that was conducted on Canadian work values by the Department of Manpower and Immigration. It showed that the great majority of Canadians ranked "interesting work" as their primary concern — regardless of income level.

What do Canadians characterize as making their work interesting? At the top of their list they place: The information and equipment to do the job. Next come the competence and help of supervision and the competence and help of work associates; promotional opportunities, challenge and growth, and then financial considerations, which is well down the list. Finally, personal relations on the job, and comfort and convenience of work are given a very low importance rating.

The study also probed the extent to which Canadians find these items in their present work and then determined the extent of the gap between the importance placed on an item and the extent to which it is being satisfied. The greatest gap — or lack — is expressed with regard to promotional opportunities, then challenge and growth, and information and equipment to do the work. The gap or discrepancy regarding financial considerations is in fourth place and is the same

as the 'discrepancy score' for 'supervisors and supervision'.

It is noteworthy that the items of personal relations on the job and comfort and convenience of work showed no gap. Equally interesting is the fact that those factors that have the greatest gap all point to man as a creative, growing, contributing being.

But when people are given a greater opportunity to be creative does it actually result in greater satisfaction and improved productivity? The experience of an increasing number of organizations is a definite "yes".

If there is such a great potential and some organizations are achieving it, why do we not move more quickly?

Performance improvement in hard data items of 10 per cent to 40 per cent is usual with substantial reduction in formal grievances, absenteeism, discipline cases, and increased interest by individuals in their own development. There is very real potential in the Canadian situation for improved effectiveness in achieving both organizational and individual goals.

If there is such a great potential and some organizations are achieving it, why do we not move more quickly? The change that is required is a redirection from the assumptions and practices of the last 60 to 70 years. This is the period that acquired the label of "scientific management".

One of the basic concepts of the scientific management approach has been that work consists of three main elements: plan; do; control. Scientific management holds that it is most effective to

separate planning, doing and controlling and therefore to assign them to separate people.

Organization structure and job design have been modelled on this assumption. As a result, we have had the self-fulfilling cycle: When work is organized so that people are not expected to think, people are turned off, and this turn-off is taken as confirmation of the assumption that they don't think and must be controlled.

If people are to be fully effective, however, they have to have the opportunity to be meaningfully involved in the planning and controlling aspects of work as well as the doing. A knowledge base now exists as to effective ways of achieving this. But first, a reshaping of the organizational thinking and practices of the past 60 to 70 years is required.

We humans frequently experience a gap between knowledge and application. I hope that I will not offend too many people by citing two examples: the time span, measured in years, that it is taking for evidence on the injurious effect of cigarette smoking to influence our behaviour; the well-established fact that the use of seat belts drastically reduces injuries and fatalities — but how many of us use them regularly?

Such changes do not come quickly, they take deliberate work at all three levels of: assumptions and theory (leading to policy considerations and action about people, work and organization), application of well designed methodologies, and personal skills.

There are no single, simple solutions.

The change can be accomplished only by the properly identified series of actions that are mutually

The policy level of the organization must provide the needed sense of purpose and direction

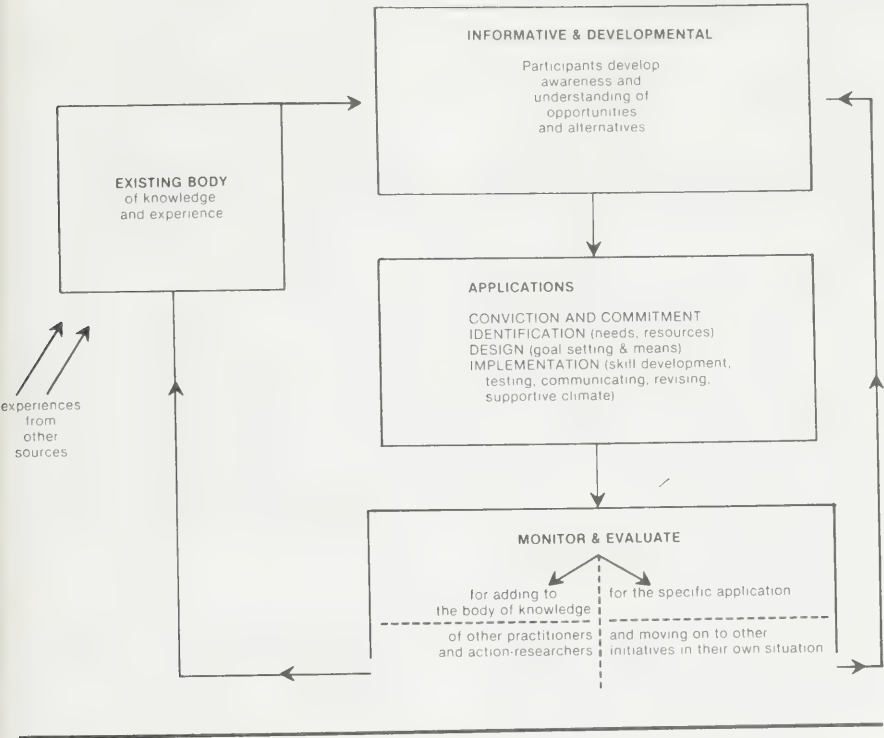
supportive and permeate through the work situation. It cannot be edicted from one organization level to another. It cannot be "parachuted" into a group. Because it is a behaviour change, there has to be a "sense of ownership" of the action being taken by the people who are involved in the situation itself. You become a "true believer" by having the direct experience, and by feeling and tasting the results.

There is a very important role for those at the policy level in an organization. It is to give the sense of purpose and direction that is required, provide a supportive climate and the resources necessary to facilitate the change.

For those who like to think of the process on a flow chart basis, the schematic diagram may be helpful in pulling it together. There is an *existing body of knowledge* in the field. Those interested must identify those parts that are relevant to their purpose so that they can then move through the *informative and developmental* stage of developing an awareness and understanding of the opportunities and alternatives. For many of us, this stage requires an "unfreezing" from what some of our traditional assumptions and practices have been.

People are then equipped to move into the *application* stage of developing conviction and commitment about the objectives and possibilities; identifying the specific needs of a situation; designing the appropriate action plan; and carrying out the

Q.W.L. CYCLE & RECYCLE



implementation steps, including: goal setting, skill development, communicating, testing and revising.

On a parallel with the implementation stage, there should be deliberate *monitoring and evaluation* so that this knowledge can be fed back into the organization for its members' continuing awareness and development and also be made available in appropriate form and means to the total external body of knowledge for further recycling from there.

It is within this kind of a context that we are most likely to all have a part in being effective practitioners and not fall prey to the "hucksters" who would like us to

use their particular gadgetery, regardless of the priority of needs, state of readiness (attitude and skill), or necessary supportive action in the system.

Management has much to learn and do in the informative and developmental stage so that there can be effective applications.

Management has much to learn and do in the information and development stage so that there can be effective applications

Many management groups are at it and there are significant success stories.

A unique and valuable role that government could fill is in regard to the "existing body of knowledge" block of our flow chart. Government can facilitate the very necessary role of fostering and co-ordinating the identification, conduct and reporting of research and other initiatives within the total Canadian scene. The government instrument for this could be a council of competent persons of identified reputation in the field. This would provide a body of professional peers and practitioners to give the essential discipline and credibility to the research work and provide a forum in which it can be discussed professionally.

This is not likely to be done effectively, however, if each body of government goes its own separate path. By proper co-ordination and collaboration, the process itself can have the further benefit of bringing interested Canadians together in a "common interest" forum, rather than using whatever funds are available to establish competing and possibly divergent activities.

There is already a well established model for a unifying process of this nature in the charter and structure of the Canadian Medical Research Council.

The needs and goals of both people and organizations will be achieved only when they are recognized and dealt with as being interdependent. There are proven ways of accomplishing the necessary changes by increasing *creative* involvement of people. Learning how and actually applying these can mean more and better work and life situations for Canadians. [9]

The job market for professionals

Jobs for engineers, accountants and other executives are going begging at a time when near record numbers of professionals are unemployed, according to Neil Macdougall, general manager and director of the Technical Service Council, a non-profit personnel consulting and placement service run by industry. He says there has been so much publicity about unemployment that job hunters no longer expect to succeed: "They apply to a few companies and aren't surprised when they are rejected. Too many then give up job hunting."

On the other hand, publicity about unemployment has caused employers to be very selective when, in fact, "the industries which are recruiting are mainly seeking specialists of a different type from those being laid off elsewhere," Macdougall reports. But by being excessively selective, some employers "are unnecessarily prolonging their searches" at a time when fewer professionals are job hunting because many fear they might move into a less secure position. "As a result, employers are frustrated by their inability to get people with specialized experience."

According to Macdougall, then, this is a difficult market for both employers and employees: "Neither is likely to find exactly what they want. Both should be flexible. Employers should realize that the Canadian job market is small and there are a limited number of specialists available. Job hunters should realize that they must make larger numbers of contacts. They'll find work more quickly if they are not too particular about job type or location."

The Council's survey for the three months ended Sept. 30 showed little change in the demand for executives, accountants, engineers and other professionals. New vacancies were down by 4 per cent in the nine months ended September from the corresponding period last year. Quebec showed the greatest decrease — 13 per cent. Vacancies in Ontario were down 6 per cent, in Manitoba and Saskatchewan 11 per cent, while Alberta and British Columbia showed no change.

"Many industrial plants are operating below capacity and employers lack confidence in the economy," Macdougall commented. "To save money, some may be postponing hirings by a month, with the result that positions take longer to fill."

There has been so much publicity about unemployment that job hunters no longer expect to succeed. And by being excessively selective, employers are unnecessarily prolonging their searches for new professionals

The Council anticipates little change in the job market during the next six months: "Capital spending is likely to be weak except in energy-related projects. Consumer spending has been so weak that one retail chain has laid off 100 managers. There have been other substantial layoffs of professionals in mining and manufacturing."

"New university graduates in general arts and science have been hard hit by decreased opportunities in government and

teaching. Business and engineering graduates have found it easier to obtain positions but even some of those are still unemployed six months after graduation. Some may be too selective about job location or type."

In spite of the slack economy, more than 1,800 jobs were listed with Council offices at the end of the period, but because most openings were for specialists, shortages and surpluses of professionals existed simultaneously — a situation likely to continue.

Specialists in short supply included mechanical plant and project engineers, maintenance superintendents, petroleum engineers, and accountants. "The federal government's tax reform bill and the Anti-Inflation Board's regulations have created numerous jobs for accountants," Macdougall noted. Demand for computer programmers and systems analysts remained steady but far below the levels of previous years. The decreased rate of growth of the electronic data processing industry has "sharply reduced" openings for EDP managers.

The Prairies reported the largest number of job openings, 694, largely because of vacancies in Alberta. Ontario, for years the leader, was second with 613. Quebec followed with 291 and B.C. with 224. The Council said its sample in the Atlantic provinces was too small to be representative.

A separate survey by the Council's executive division showed that financial executives were in demand more than any other kind in the \$25,000—\$75,000 annual salary range. [g]

Organizing bank employees in 'Smalltown' Ontario

The organization of bank employees may make its greater future gains in small communities in Ontario, research by a doctoral student in sociology at the University of Toronto suggests.

Graham S. Lowe became interested in investigating the recent successes by the Canadian Union of Bank Employees in Ontario through a dissertation he is preparing on the historical growth and development of clerical occupations in Canada.

Last July and August, CUBE won certification as bargaining agent for employees of Bank of Nova Scotia branches in three Ontario centres — Simcoe, Jarvis and Port Dover — and of the Canada Trust branch in Simcoe. Simcoe is a tobacco and farm marketing centre with a population of about 14,000, located 90 miles southwest of Toronto, near Lake Erie. Jarvis and Port Dover are even smaller communities each within 15 miles of Simcoe.

All the bargaining units are small — with under 10 employees. The union failed in an attempt to win certification for a larger bargaining unit — 29 employees at the Bank of Commerce branch in Simcoe.

Through in-depth interviews with six female employees who joined the union and one male representative of the Canadian Chemical Workers Union, of which CUBE is an affiliate, Lowe found several reasons why the organizing efforts succeeded:

- The female clerks were "prime candidates" for unionism because

of their weak bargaining position, low wages and lack of promotional opportunities.

- The clerks had close social ties in the community and the support of family and friends during the "trying" period of the organizing campaign. "For example, the close-knit interpersonal relations may well have heightened the workers' sense of injustice."
- The women had their roots in the areas. "Not wanting to leave, often because of their husband's jobs, they settled into banking careers." Economic necessity and lack of better opportunities in the small communities kept them at their job. "Each branch became a stable work group."
- Though the bank branches are small, they are centrally controlled by bureaucratic means — "formal impersonal rules and regulations, filtered through a hierarchy," and the clerks rebelled against this type of head office power.


Bank branches in smaller communities in Ontario may prove fertile ground for union organizing drives

"This importance of the local context for unionization — the interaction between the social fabric of a small community and the workplace — is perhaps the most important finding of my study," Lowe comments. "If we dare to venture any predictions at all, it would be that in CUBE's beginnings is found the pattern for its future growth. 'Smalltown' Ontario may well be at the forefront of bank unionization."

Lowe also maintains that although CUBE's success is, in large part, the result "of a convergence of unique circumstances at a specific time in a particular place" it would be wrong to view the union "as an aberration on the Canadian labour scene. The CUBE members share much in common in terms of wages, working conditions and managerial attitudes with bank and office clerks across Canada. Their actions have deep implications for the future prospects of clerical unionization."

Students of white-collar unionization have frequently claimed that clerical workers are most likely to push for collective bargaining when their drive to 'get ahead' is stifled. "In other words," Lowe notes, "we have the paradox of clerks resorting to collective action in order to achieve individual success. My research, while not conclusive, suggests that this is true."

He also notes that individualism among office workers is usually accompanied by strong identification with management, but that CUBE bank clerks "showed considerable respect and good will to their immediate supervisors but intensely disliked head office officials."

"Clearly, then," he adds, "identification with management is not an 'all or nothing' response. Clerks may identify with certain managers with whom they have direct contact while at the same time rejecting the policies and practices of top decision makers." 

R.L.

A Canadian Centre for Occupational Health and Safety

A Canadian Centre for Occupational Health and Safety is one of the proposals in Labour Canada's fourteen-point program for a better working environment for Canadians. In a September 19 address to the Canadian Society of Engineering, in Toronto, Labour Minister John Munro described the proposed role of the Centre as a national institution capable of providing services to all jurisdictions.

One of the most outstanding characteristics of our era is the very rapid and sustained rate of technological development within virtually every branch of industry, especially manufacturing, construction and transportation.

This has been strongly influenced by two important factors. The first is the strong commercial pressure to improve technological efficiency. The second is the significant change in public opinion as to what is acceptable or unacceptable in terms of everyday working life, more particularly in the physical work environment. These two notions are not incompatible.

It is now fairly well accepted that Canadians at work have a fundamental right to an environment that neither damages their health nor imperils their safety. Occupational safety and health also constitute an important element in the maintenance of reasonable employee-employer relations, not to mention their contribution to productivity and profitability.

Constructive employment relations are difficult to achieve without tangible evidence of action to improve and maintain the highest

possible standards of occupational health and safety. This is, or ought to be, a normal function of management. The success of some industries in achieving substantial reductions in their occupational injury rates is clear evidence of what can be accomplished when there is a concerted effort to do so.

Many employers in this country, as well as organized labour, have become increasingly sensitive to the influence of working conditions on the well-being of the individual as well as upon the efficiency of the business. More and more workers as well as the public are questioning the necessity of tolerating conditions that produce such baleful effects upon workers and the community.

Adequate solutions to these problems have not yet been found but leadership toward co-operative action in their resolution is now a priority requirement. Leadership rather than control is a much better way to obtain the involvement of people and their commitment to desirable objectives.

Governments at all levels are faced with many difficulties in attempting to deal with these issues of broad social concern. There is no shortage of basic legislation in this field among all the jurisdictions. Several provinces in the past year or so have taken appropriate

Canadians at work have a fundamental right to an environment that neither damages their health nor imperils their safety

action to strengthen their policies and to improve their organizational capacities. In Ontario, there is that contemporary legislation referred to as Bill 139. I understand that this is the foundation of more comprehensive legislation that I am sure will become a landmark with respect to occupational health and safety matters in the province.

The province of Saskatchewan has been innovative in its approach to better health and safety performance by industry. Alberta and Manitoba have enacted progressive legislation for the same purpose. In New Brunswick an updated version of their industrial safety act has been passed, and Newfoundland has announced its intention to consolidate its various services in a new division of the Department of Labour and Manpower. All of this reflects the great and growing concern of governments and their increased awareness of the complexity and seriousness of this aspect of current industrial activity.

I am sure you have noticed frequently, as I have, the aggressiveness of each side of industry in its dealings with the other. The question of hazard control on the job surely is deserving of some of that same positive aggressiveness; for without an aggressive policy, fatalities, injuries and diseases will continue to rise — along with greatly increased costs. This is a major challenge that faces industry to-day.

Industry has to some extent applied techniques toward the betterment of working conditions. Although the technical aspects

and their contribution to improved safety and health at work are important, *more significant is the personal attitude toward safety* that is engendered on-the-job. The majority of accidents do not arise from technical faults and failures, but are due in the main to the human element. In order to achieve real progress, each firm must have an effective safety organization working through an established policy and capable of having participation from all segments of the enterprise. It is toward just such co-operative activity that many of my new initiatives are aimed. Two of these proposals are especially pertinent to this general subject.

Maintaining the highest possible standards of occupational health and safety ought to be a normal function of management

One of the principal elements is the creation of a Canadian Centre for Occupational Health and Safety which was announced by the Government in the Speech from the Throne at the opening of Parliament, October 1976.

The Centre is seen as an institution that would promote the concept of a safe work environment and the attainment of the physical and mental health of working people. It would facilitate consultation and co-operation among provincial, territorial and federal jurisdictions in the establishment and maintenance of high standards of occupational safety and hygiene appropriate to the Canadian situation and compatible with recognized international standards.

Through the provision of expertise, the Centre could assist public authorities in the development of policies and programs for more

Saskatchewan has been innovative in its approach to a better health and safety performance by industry

effective control of occupational hazards. The Centre would also create a new avenue for labour-management participation in the vital pursuit of solutions to these problems.

The role of the Centre will evolve under its own authority to serve diverse needs as circumstances require. Its functions, which would complement what the provinces are doing, would include the development of a national technical and scientific information system to inform and advise on occupational health and safety matters generally; the development of standards and codes of practice; the provision of technical advisory services, on request; the provision of grants to stimulate research; and liaison and communication with other professional institutions, national and international organizations in this field. The Centre would also establish a system to give early warning of potential as well as present hazards, and identify the nature and probable effects of hazardous substances.

The Centre would be an autonomous body, governed by a council with representatives from the provinces and territories, the federal government, labour, management, professional, scientific and public interests, assisted by scientific and technical advisory committees.

It would serve as a pivotal point through which agencies and institutions active in this field could voluntarily co-ordinate selected activities and exchange information.

A Centre so conceived and orga-

nized would be a truly national institution that would be capable of providing service to, and for, all jurisdictions. Such a Centre would undoubtedly facilitate the work of existing federal and provincial authorities responsible for remedial programs in this field.

A planning secretariat under the chairmanship of my Department and with considerable assistance from Health and Welfare Canada spent some time earlier this year in expounding this concept with interested parties.

During that time some 27 or 28 meetings were held in several major cities at which representatives of provincial and territorial departments and agencies, associations of employers, technical and scientific societies, the medical profession, the academic community and other diverse interests met to discuss the role of such a Centre and its relationship to existing facilities both private and public.

I have been much encouraged by the constructive response that this proposal has received in all parts of the country.

Another proposal upon which I wish to comment relates to greater worker participation by encouraging the formation of joint labour-management safety and health committees in the workplace. These committees would be assisted by the provision of technical and other advice by Labour Canada officers. In this regard our proposals closely resemble those that were enacted late last year in Ontario. A number of other provinces have been moving in this direction as well.

We see these committees as providing a useful and very practical expression of the desire of workers to participate more actively in the resolution of problems that they encounter in

the workplace. In my view, this desire on their part should be encouraged, and the necessary mechanism should be put in place that will channel these efforts into the most productive results. I think it worth mentioning that for the past 35 years or more my Department has been promoting the establishment of labour-management committees in industry generally, and with some success.

There is a growing acceptance by responsible people that a worker has the right and the duty to be aware of matters related to safety and health at the workplace and to work in a safe and healthy environment. There is an equally growing recognition that the worker must be actively involved in the development of programs designed to achieve this and that the employee must then comply with the safe working procedures that are developed.

This will require a partnership of workers and management in a responsible body that will establish a medium within which true worker participation will be encouraged. The prime benefits to be obtained from this partnership will be more effective control and

Leadership rather than control is a much better way to obtain the involvement of people and their commitment to desirable objectives

resolution of safety and health matters and a more participative, responsible and stable labour-management climate.

To this end, Labour Canada is developing a comprehensive program for the establishment and operation of labour-management safety and health committees in federal industries, according to predetermined criteria. We will provide services to these committees so they can perform their key functions more effectively.


The members of these committees, their duties and responsibilities, are similar to those described in the Ontario and other provincial legislation. New federal legislation will authorize this activity within those industries that come under federal labour jurisdiction.

Our legislative proposals will include a provision whereby

workers who consider themselves to be exposed in the course of their employment to an imminent danger may withdraw from work under such circumstances. We recognize and understand the concern of employers with respect to the possibility of frivolous or capricious use of such a provision, but I have sufficient confidence in the maturity and intelligence of the average Canadian worker that this will not become a common occurrence.

I believe it essential that employees not be required to work at processes or in places which they sincerely believe to be basically unsafe or unhealthy. When one thinks of this, it is equally unsatisfactory to the employer — or ought to be — that his employees should continue to work under such conditions.

Inevitably these circumstances, if they exist, will lead to accidents, personal injuries, material loss, damage to plant and so on. In fact our present federal law, Part IV of the Canada Labour Code, makes it *a duty* for employees to remove themselves from such places. Now they will be given *the right* to do so. There will be safeguards against discrimination through suspension, dismissal, and loss of wages.

I confidently expect that issues of this sort will be speedily resolved by the procedures we will establish. These will be matters of mutual concern to management and to workers and the primary responsibility will be on them to settle the problems. Joint safety and health committees may well play a role in the resolution of such questions and federal safety officers may exercise their powers in this regard. As a final stage we are proposing that an unresolved question of this kind be referred to the Canada Labour Relations Board. 

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Work-injury experience and cost in Canadian industry, 1967-1976

Injuries covered in the tables below are those incurred in the course of employment or arising out of employment of workers who are covered by workers' compensation boards. Reports received from them provided the data on the number of injury claims and the payments made. Data on employment and labour income were obtained from Statistics Canada.

The ratio between the totals of non-disabling and disabling injuries has shown a steady decrease from 1.90 in 1967 to 1.35 in 1976, a drop of 28.9 per cent. The frequency of lost-time or disabling injuries per 1,000,000 man-hours worked rose steadily from 17.34 in 1968 to 25.92 in 1974 and dropped gradually to 23.19 in 1976. The increase in lost-time injuries in the period to 1974 reflects the reduction in qualifying

This feature was prepared by the Program Research and Development Division, Occupational Safety and Health Branch, Labour Canada.

periods for compensation and the greater accessibility of benefits rather than a deterioration in industrial safety. The reduction since 1974 is most likely the result of cut-backs in employment, where employees with the least training and experience are the first to be laid off.

Total employment increased by 30 per cent between 1967 and 1976. The rate of injuries per 100 workers rose from 10.60 in 1967 to 11.46 in 1974, a change of 8 per cent, and dropped from 11.46 in 1974 to 10.92 in 1976, a change of 5 per cent. In 1976 employment rose by 3 per cent over the previous year and the injury rate

per 100 workers by 3 per cent as well. The 1976 figures are preliminary.

Total compensation costs in 1976 increased by 19 per cent over 1975 compared with an increase of 27 per cent in 1975 over 1974. Payrolls increased by 15 per cent in 1976 and by the same percentage increase in 1975 over 1974. Since compensation costs continue to increase at a higher rate than payroll costs, the compensation per \$100 payroll also continues to rise. The cost per claim increased by 12 per cent in 1976 over the previous year and by 35 per cent in 1975 and the cost per worker increased accordingly, by 15 per cent in 1976 and by 24 per cent in 1975 over 1974. Both cost per claim and cost per worker reflect the substantial rise in compensation costs over the last ten years.

Work-injury experience and cost in Canada, 1967-1976
injury experience in Canada, 1967-1976

Year	Non-disabling injuries		Disabling injuries				All injuries No.	Employment ¹ (in 000's)	Disabling injury frequency rate ²	Injuries per 100 workers	Ratio of non-disabling to disabling injuries
	No.	% of all injuries	Non-fatal No.	Fatal No.	Total Disabling No.	% of all injuries					
1967	512,762	65.6	268,250	1,058	269,308	34.4	782,070	7,379	18.25	10.60	1.90
1968	500,587	65.7	260,512	928	261,440	34.3	762,027	7,537	17.34	10.11	1.91
1969	504,587	63.4	289,841	1,001	290,842	36.6	795,429	7,780	18.69	10.22	1.73
1970	491,099	61.9	301,680	918	302,598	38.1	793,697	7,879	19.20	10.07	1.62
1971	480,287	60.5	312,322	924	313,246	39.5	793,533	8,079	19.39	9.82	1.53
1972	488,764	56.8	370,643	1,078	371,721	43.2	860,485	8,329	22.32	10.33	1.31
1973	547,256	55.5	437,300	1,124	438,424	44.5	985,680	8,759	25.03	11.25	1.25
1974	573,281	54.8	472,319	1,433 ⁴	473,752	45.2	1,047,033	9,137	25.92	11.46	1.21
1975	543,905	55.2	440,455	957	441,412	44.8	985,317	9,308	23.71	10.59	1.23
1976 ³	601,017	57.5	442,991	932	443,923	42.5	1,044,940	9,572	23.19	10.92	1.35
1967-1976 Average	524,355	59.2	359,631	1,035	360,666	40.8	885,021	8,376	21.53	10.57	1.45

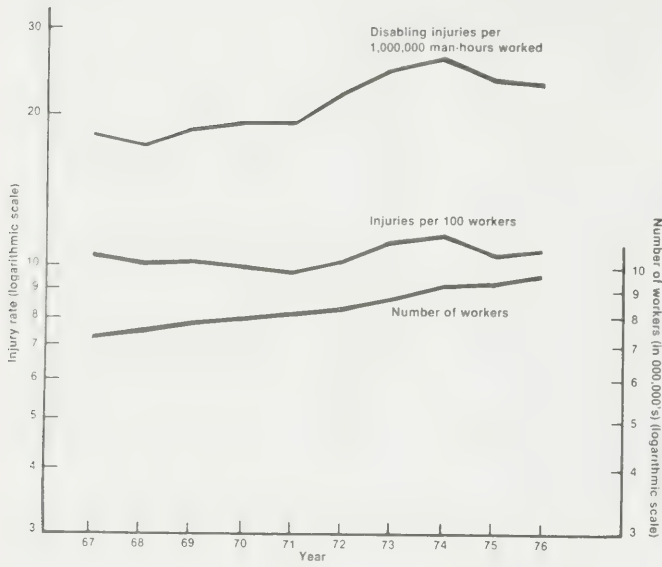
¹Statistics Canada estimates, Catalogue No. 71-001.

²The number of disabling injuries per 1,000,000 man-hours worked, calculated at 2,000 man-hours per worker per year.

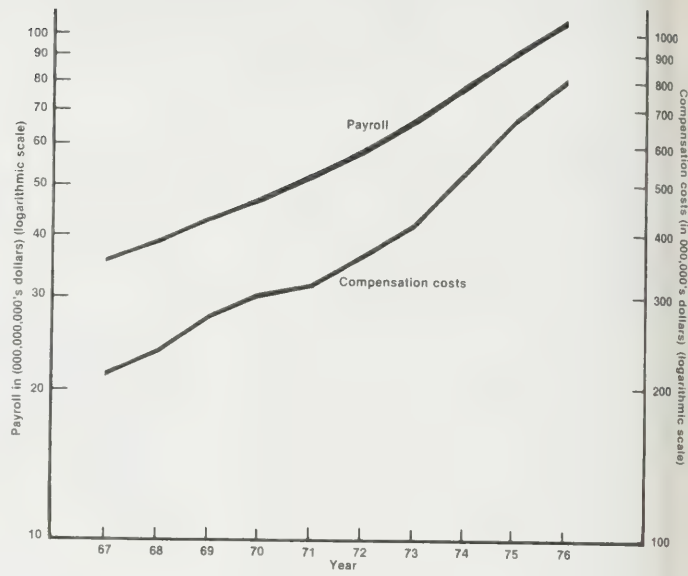
³Preliminary.

⁴Includes deaths in Ontario of pensioners who had an earlier disabling work injury.

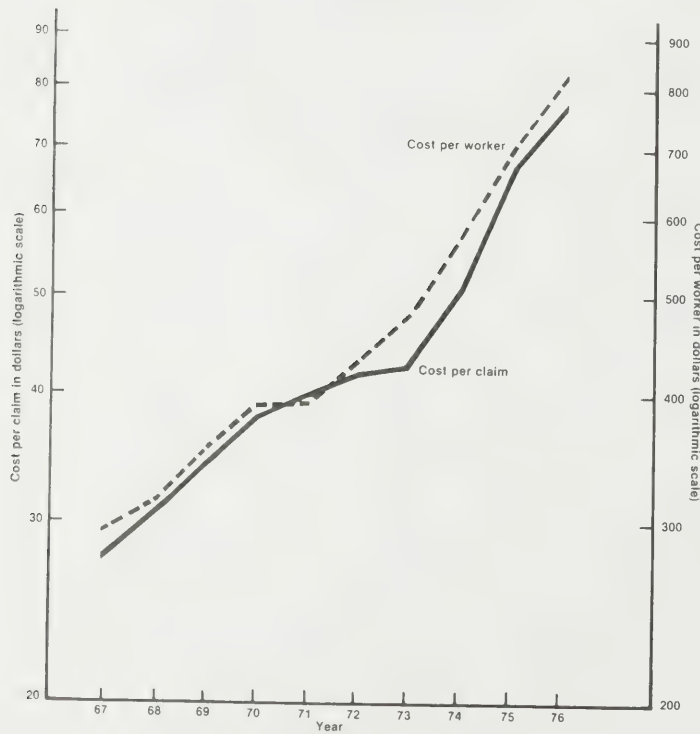
Injury rates and number of workers



Payroll and compensation costs



Compensation cost per worker and per claim



Work-injury experience and cost in Canada, 1967-1976 **compensation costs in Canada, 1967-1976**

Year	All costs in 000's dollars				Cost per claim	Cost per worker	Payroll ⁴ in (000, 000's dollars)	Compensation per \$100 payroll
	Medical Aid cost ¹	Compensation for lost earnings	Pension ²	Total payments				
					\$	\$		
1967	57,344	96,339	62,763	216,446	277	29	35,303	0.61
1968	61,772	102,865	69,156	233,793	307	31	38,444	0.61
1969	67,473	120,064	85,182	272,719	343	35	43,065	0.63
1970	75,484	133,527	95,502	304,513	384	39	46,706	0.65
1971	77,689	147,155	89,594	314,438	396	39	51,528	0.61
1972	83,561	176,068	102,020	361,649	420	43	57,570	0.63
1973	93,703	207,185	117,643	418,531	425	48	66,358	0.63
1974	115,789	261,035	149,456	526,280	503	58	78,520	0.67
1975	154,763	333,853	179,831	668,447	678	72	90,586	0.74
1976 ³	186,286	411,428	197,285	794,999	761	83	104,328	0.76
1967-1976 Average	97,386	198,952	114,843	411,181	465	49	61,241	0.67

¹Medical aid includes hospitalization, rehabilitation service, funeral and related expenses. Medical aid payments are for both disabling and medical treatment injuries.

²Capitalized value of pensions for permanent, partial or total disabilities, but not including funds set in reserve.

³Preliminary.

⁴Estimate of Labour Income, Statistics Canada, Catalogue No. 72-005.


Work-injury experience and cost by province 1976³ and 1967-1976 average

Year	Compensation claims					Compensation costs (000's dollars)			
	Medical aid only	Non-fatal disabling injury	Fatal injury	Total disabling injury	Total all claims	Medical aid ¹	Compensation for lost earnings	Pension ²	Total payments
Newfoundland									
1976	7,298	6,578	42	6,620	13,918	1,336	3,601	2,576	7,513
1967-76 Average	6,305	5,856	32	5,888	12,193	1,165	2,683	1,380	5,228
Prince Edward Island									
1976	1,352	1,386	2	1,388	2,740	332	626	624	1,582
1967-76 Average	1,234	1,307	4	1,311	2,545	217	394	242	853
Nova Scotia									
1976	17,410	11,524	35	11,559	28,969	3,213	11,382	6,558	21,153
1967-76 Average	15,987	11,952	33	11,985	27,972	2,065	6,611	3,941	12,617
New Brunswick									
1976	16,685	9,515	34	9,549	26,234	3,342	6,384	3,760	13,486
1967-76 Average	16,033	9,063	36	9,099	25,132	2,119	3,561	1,963	7,643
Quebec									
1976	156,610	127,808	266	128,074	284,684	72,497	94,078	51,526	218,101
1967-76 Average	125,304	92,961	239	93,200	218,504	28,535	43,372	31,267	103,174
Ontario									
1976	243,460	154,317	203	154,520	397,980	60,907	199,038	76,561	336,506
1967-76 Average	232,529	139,977	318 ⁴	140,295	372,824	39,189	92,531	41,719	173,439
Manitoba									
1976	16,760	18,871	35	18,906	35,666	3,533	9,779	5,330	18,642
1967-76 Average	15,953	16,165	42	16,207	32,160	2,588	5,510	3,083	11,181
Saskatchewan									
1976	19,103	15,519	40	15,559	34,662	3,885	10,471	6,694	21,050
1967-76 Average	14,652	12,327	43	12,370	27,022	2,436	5,390	4,067	11,893
Alberta									
1976	58,695	41,363	125	41,488	100,183	13,211	27,761	15,265	56,237
1967-76 Average	40,979	29,451	119	29,570	70,549	6,860	13,143	9,972	29,975
British Columbia									
1976	63,644	56,110	150	56,260	119,904	24,030	48,308	28,391	100,729
1967-76 Average	55,379	40,572	169	40,741	96,120	12,212	25,757	17,209	55,178

¹Medical aid includes hospitalization, rehabilitation service, funeral and related expenses. Medical aid payments are for both disabling and medical treatment injuries.

²Capitalized value of pensions for permanent, partial or total disabilities, but not including funds set in reserve.

³Preliminary.

⁴Includes deaths in Ontario of pensioners who had an earlier disabling work injury. 

Fatalities in Canadian industry, 1967-1976

Statistics on fatalities in Canadian industry are produced annually by the Occupational Safety and Health Branch of Labour Canada. Reports received from the workers' compensation boards accounted for all the fatalities reported.

Fatalities covered in this review occurred to workers during the course of, or arose out of, their employment. They include deaths of pensioners suffering from industrial diseases such as silicosis and lung cancer as well as deaths of pensioners who suffered earlier disabling work injuries. In this review, these deaths are counted as fatality cases in the year the pensioner dies. Recent amendments in compensation laws allowing the deaths of pensioners to be treated as fatality cases have accounted for part of the continued rise in fatality cases.

Fatalities by industry

Goods-producing industries, which in 1976 continued to make up about one third of all workers employed, again accounted for two thirds of the total fatalities. In contrast, the service industries employed nearly two thirds of all workers but suffered slightly over one third of the fatalities. The mining, forestry and fishing industries continue to be the most hazardous, with finance the least hazardous. In the period 1967 to 1970, the death rate per 100,000 workers for all industries fluctuated. It increased between 1971 and 1974, dropped in 1975, and, based on the preliminary total of deaths reported, continued to fall in 1976. The death rate for the

This feature was prepared by the Program Research and Development Division, Occupational Safety and Health Branch, Labour Canada.

goods-producing industry reflects the same trend as does the death rate for the service industries.

Over one half of the deaths from occupational illnesses in 1975 and 1976 were in the mining industry and almost one third of them were in manufacturing.

Fatalities by province

About one third of all fatalities occurred in Ontario in 1975 and in 1976. British Columbia and Quebec followed in the number of fatalities in this period.

Fatalities by occupation

Craftsmen and related workers continued to experience the most hazards and accounted for about one third of all deaths. The least hazardous occupation is clerical, with about 1.4 per cent of the fatalities in 1976. This breakdown is also reflected in the ten-year average.

Fatalities by age and sex

Workers over 25 years of age made up over 80 per cent of the deaths in the ten year average. In 1976, more than 75 per cent of the deaths with age reported happened to workers in this age bracket.

Males continued to account for

Statistical summary of fatality* experience in Canadian industry**, 1967-1976

Analytical Category Fatality Profile	Figures for 1976 ^P		Averages of 1967-1976	
	No.	%	No.	%
Industry				
· Goods-producing (1-6 on Table 1)	571	61.7	728	62.7
· Service (7-11 on Table 1)	355	38.3	434	37.3
· Total	926	100.0	1,162	100.0
Employment (in 000's workers)				
· Goods-producing	3,299	34.5	3,123	37.3
· Service	6,273	65.5	5,253	62.7
· Total	9,572	100.0	8,376	100.0
Incidence rate (deaths per 100,000 workers)				
· Goods-producing	17.3		23.3	
· Service	5.7		8.3	
· All Industry	9.7		13.9	
Type of accident				
· Transport	236	25.5	279	24.0
· Struck By or Against	136	14.7	239	20.6
	372	40.2	518	44.6
· Other type	554	59.8	644	55.4
· Total	926	100.0	1,162	100.0

* Includes deaths arising out of occupational illnesses

** See Tables 1, 3, 4, 8

^Ppreliminary

Table 1 — Fatalities* in Canadian industry by industry division, 1967-1976**

Year	(1) Agriculture		(2) Forestry		(3) Fishing		(4) Mining		(5) Manu- facturing		(6) Construction		(7) Transport		(8) Trade		(9) Finance		(10) Service		(11) Public Administration		Totals	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1967	30	2.6	106	9.2	33	2.9	183	15.8	187	16.1	223	19.3	237	20.5	64	5.5	5	0.4	55	4.7	35	3.0	1,158	100.0
1968	27	2.6	102	10.0	19	1.9	134	13.1	176	17.2	217	21.3	178	17.5	58	5.7	0	—	45	4.4	64	6.3	1,020	100.0
1969	30	2.7	88	7.9	18	1.6	182	14.4	207	18.4	235	20.9	206	18.4	60	5.3	2	0.2	50	4.5	64	5.7	1,122	100.0
1970	16	1.5	94	8.9	25	2.4	157	14.8	183	17.2	195	18.4	187	17.6	62	5.8	4	0.4	57	5.4	81	7.6	1,061	100.0
1971	21	1.9	94	8.3	11	1.0	169	14.9	186	16.4	225	19.9	205	18.1	79	7.0	4	0.3	72	6.3	67	5.9	1,133	100.0
1972	30	2.4	77	6.2	8	0.7	175	14.1	261	21.0	209	16.9	227	18.3	72	5.8	6	0.5	110	8.9	65	5.2	1,240	100.0
1973	30	2.2	100	7.3	15	1.1	185	13.4	259	18.8	227	16.5	269	19.5	87	6.3	6	0.4	97	7.0	104	7.5	1,379	100.0
1974	33	2.3	85	6.0	11	0.8	203	14.4	305	21.6	232	16.4	254	18.0	119	8.4	7	0.5	101	7.1	63	4.5	1,413	100.0
1975	13	1.1	71	6.1	27	2.3	158	13.5	222	19.0	217	18.6	216	18.5	74	6.3	3	0.3	83	7.1	84	7.2	1,168	100.0
1976P	16	1.7	58	6.3	26	2.8	143	15.4	161	17.4	167	18.0	197	21.3	52	5.6	7	0.8	52	5.6	47	5.1	926	100.0
1967-1976 Average	25	2.1	87	7.5	19	1.6	167	14.4	215	18.5	215	18.5	218	18.8	73	6.3	4	0.3	72	6.2	67	5.8	1,162	100.0

*Includes deaths arising out of occupational illnesses. See breakdown by industry, Table 2

**Includes: (1) related services. (2) related services. (3) hunting and trapping. (4) quarrying and oil wells. (5) related services. (6) related services. (7) storage; communication; electric power, gas and water utilities; highway maintenance. (8) related services. (9) insurance and real estate. (10) community, business and personal services. (11) defence.

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over 98 per cent of all fatalities in 1976 and in the ten year average.

Fatalities by accident type

In 1975 and in 1976, transport, struck by or against, and occupational illnesses continued to account for over one half of all fatalities. In this review, two new accident type classifications are introduced: occupational illnesses and late effects. Late effects include deaths of workers whose deaths occurred more than a year after their accidents and the deaths of pensioners who had earlier disabling work injuries. In the previous review the drowning and asphyxiation, and cardiovascular strain, classifications were introduced. As the result of the introduction of these new classifications, data in the breakdown of fatalities by accident type prior to 1975 are not comparable.

Table 2 — Fatalities in Canadian industry* by occupational injuries and illnesses, 1975-1976

Industry	Occupational Injuries		Occupational Illnesses		Total	
	1975	1976P	1975	1976P	1975	1976P
Mining	70	80	88	63	158	143
Manufacturing	176	124	46	37	222	161
Construction	209	159	8	8	217	167
Transportation	212	195	4	2	216	197
Trade	71	52	3	—	74	52
Service	82	52	1	—	83	52
Public Admin.	81	47	3	—	84	47
Agriculture	13	16	—	—	13	16
Forestry	71	58	—	—	71	58
Fishing and Trapping	27	26	—	—	27	26
Finance, Insurance, Real Estate	3	7	—	—	3	7
Total	1,015	816	153	110	1,168	926

Breakdown of fatalities into occupational injuries and occupational illnesses cases prior to 1975 is not available.

*See Footnote (**) Table 1

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Table 3 — Workers employed* in Canadian industry by industry division, 1967-1976 (in 000's workers)

Year	Agriculture		Forestry		Fishing		Mining		Manu- facturing		Construction		Transport		Trade		Finance		Service		Public Administration		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1967	559	7.6	79	1.1	25	0.4	114	1.5	1,756	23.8	475	6.4	659	8.9	1,224	16.6	312	4.2	1,732	23.5	443	6.0	7,379	100.0
1968	546	7.2	80	1.1	24	0.3	117	1.6	1,754	23.3	470	6.2	673	8.9	1,260	16.7	327	4.3	1,830	24.3	458	6.1	7,537	100.0
1969	535	6.9	80	1.0	21	0.3	116	1.5	1,819	23.3	482	6.2	693	8.9	1,292	16.6	350	4.5	1,918	24.7	474	6.1	7,780	100.0
1970	511	6.5	72	0.9	20	0.3	125	1.6	1,790	22.7	471	6.0	692	8.8	1,320	16.7	365	4.6	2,025	25.7	486	6.2	7,879	100.0
1971	510	6.3	72	0.9	22	0.3	129	1.6	1,795	22.2	495	6.1	702	8.7	1,330	16.5	385	4.8	2,118	26.2	520	6.4	8,079	100.0
1972	481	5.8	71	0.9	22	0.3	124	1.5	1,857	22.3	501	6.0	730	8.8	1,410	16.9	385	4.6	2,194	26.3	553	6.6	8,329	100.0
1973	467	5.3	80	0.9	25	0.3	123	1.4	1,968	22.5	549	6.3	773	8.8	1,498	17.1	410	4.7	2,284	26.1	582	6.6	8,759	100.0
1974	473	5.2	82	0.9	24	0.3	126	1.4	2,024	22.2	598	6.5	790	8.6	1,575	17.2	446	4.9	2,386	26.1	613	6.7	9,137	100.0
1975	479	5.2	72	0.8	23	0.2	132	1.4	1,951	21.0	605	6.5	806	8.7	1,633	17.5	460	4.9	2,508	26.9	639	6.9	9,308	100.0
1976	474	5.0	72	0.8	20	0.2	146	1.5	1,945	20.3	642	6.7	834	8.7	1,658	17.3	501	5.2	2,595	27.1	685	7.2	9,572	100.0
1967-1976 Average	504	6.0	76	0.9	23	0.3	125	1.5	1,866	22.2	529	6.3	735	8.8	1,420	17.0	394	4.7	2,159	25.8	545	6.5	8,376	100.0

*Statistics Canada Estimate, Catalogue No. 71-001

Figures may not add due to rounding.

Table 4 — Fatality * Incidence Rates** in Canadian industry by industry division***, 1967-1976

Year	Agriculture	Forestry	Fishing	Mining	Manufacturing	Construction	Transport	Trade	Finance	Service	Public Administration	Totals
1967	5.4	134.2	132.0	160.5	10.6	47.0	36.0	5.2	1.6	3.2	7.9	15.7
1968	4.9	127.5	79.2	114.5	10.0	46.2	26.4	4.6	0.0	2.5	14.0	13.5
1969	5.6	110.0	85.7	139.7	11.4	48.8	29.7	4.6	0.6	2.6	13.5	14.4
1970	3.1	130.6	125.0	125.6	10.2	41.4	27.0	4.7	1.1	2.8	16.7	13.5
1971	4.1	130.6	50.0	131.0	10.4	45.5	29.2	5.9	1.0	3.4	12.9	14.0
1972	6.2	108.5	36.4	141.1	14.1	41.7	31.1	5.1	1.6	5.0	11.8	14.9
1973	6.4	125.0	60.0	150.4	13.2	41.3	34.8	5.8	1.5	4.2	17.9	15.7
1974	7.0	103.7	45.8	161.1	15.1	38.8	32.2	7.6	1.6	4.2	10.3	15.5
1975	2.7	98.6	117.4	119.7	11.4	35.9	26.8	4.5	0.7	3.3	13.1	12.5
1976P	3.4	80.6	130.0	97.9	8.3	26.0	23.6	3.1	1.4	2.0	6.9	9.7
1967-1976 Average	5.0	114.5	82.6	133.6	11.5	40.6	29.7	5.1	1.0	3.3	12.3	13.9

*Includes deaths arising out of occupational illnesses. See breakdown by industry, Table 2.

**Fatality Incidence Rate equals number of cases per 100,000 workers.

***See footnote (**) Table 1

Ppreliminary

Table 5 — Fatalities* in Canadian industry by province and industry divisions, 1975-1976**

Industry	Nfld.		P.E.I.		N.S.		N.B.		Que.		Ont.		Man.		Sask.		Alta.		B.C.		Y.T. & N.W.T.		Can.	
	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P	1975	1976P
Agriculture	0	0	0	0	0	0	0	0	1	0	9	12	0	1	1	1	2	2	0	0	0	0	13	16
Forestry	1	1	0	0	1	1	3	6	12	10	13	8	1	0	3	1	2	3	35	28	0	0	71	58
Fishing	2	4	0	0	0	3	1	1	2	2	5	0	0	1	0	0	0	0	17	15	0	0	27	26
Mining	13	12	0	0	1	10	6	3	18	8	62	53	11	6	3	5	19	24	25	23	0	0	158	144
Manufacturing	2	2	0	0	5	4	7	0	49	28	98	77	1	10	8	4	19	9	33	27	0	0	222	161
Construction	4	3	1	2	3	9	14	3	53	36	48	52	11	3	10	7	33	24	40	28	0	0	217	167
Transport	4	3	0	2	2	5	6	9	36	31	65	50	8	18	11	12	24	32	60	34	0	0	216	196
Trade	1	1	0	0	1	3	1	1	17	6	29	16	8	2	4	3	9	9	4	11	0	0	74	52
Finance	0	0	0	0	0	0	0	0	0	5	1	0	1	0	0	0	1	0	0	2	0	0	3	7
Service	2	0	0	0	2	0	1	0	20	11	23	14	4	2	2	4	8	12	21	9	0	0	83	52
Public Admin.	0	1	1	1	1	0	2	2	21	10	30	15	4	8	8	0	8	8	9	2	0	0	84	47
Total	29	27	2	5	16	35	41	25	229	147	383	297	49	51	50	37	125	123	244	179	0	0	1,168	926

*Includes deaths arising out of occupational illnesses. See breakdown by industry. Table 2

See footnote () Table 1

Ppreliminary

Table 6 — Fatalities* in Canadian industry by occupation, 1967-1976**

Year	(1) Farmers		(2) Loggers		(3) Fishermen		(4) Miners		(5) Craftsmen		(6) Labourers		(7) Transport		(8) Managerial		(9) Professional		(10) Clerical		(11) Sales		(12) Service		Not Stated		Totals	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1967	30	2.6	89	7.7	32	2.7	156	13.5	377	32.5	118	10.2	199	17.2	42	3.6	32	2.8	10	0.9	24	2.1	49	4.2	0	0.0	1,158	100.0
1968	27	2.6	84	8.2	15	1.5	112	11.0	352	34.5	124	12.2	169	16.6	35	3.4	25	2.4	6	0.6	18	1.8	53	5.2	0	0.0	1,020	100.0
1969	30	2.7	78	7.0	19	1.7	138	12.3	355	31.6	143	12.8	201	17.9	51	4.5	30	2.7	7	0.6	15	1.3	55	4.9	0	0.0	1,122	100.0
1970	14	1.3	84	7.9	23	2.2	131	12.3	315	29.7	131	12.3	193	18.2	43	4.1	33	3.1	17	1.6	24	2.3	53	5.0	0	0.0	1,061	100.0
1971	16	1.4	78	6.9	9	0.8	132	11.7	308	27.2	183	16.2	192	16.9	80	7.0	41	3.6	16	1.4	23	2.0	54	4.8	1	0.1	1,133	100.0
1972	27	2.2	63	5.1	22	1.8	129	10.4	455	36.7	79	6.4	215	17.3	39	3.1	40	3.2	28	2.3	36	2.9	106	8.5	1	0.1	1,240	100.0
1973	30	2.2	79	5.7	14	1.0	148	10.7	454	32.9	97	7.0	274	19.9	52	3.8	62	4.5	20	1.4	27	2.0	120	8.7	2	0.2	1,379	100.0
1974	29	2.1	61	4.3	14	1.0	165	11.7	544	38.5	116	8.2	236	16.7	43	3.0	55	3.9	16	1.1	19	1.4	108	7.6	7	0.5	1,413	100.0
1975	8	0.7	47	4.0	26	2.2	133	11.4	389	33.3	134	11.5	184	15.8	62	5.3	37	3.2	14	1.2	14	1.2	59	5.0	61	5.2	1,168	100.0
1976P	23	2.5	38	4.1	23	2.5	115	12.5	314	33.9	100	10.8	151	16.3	37	4.0	27	2.9	13	1.4	17	1.8	54	5.8	14	1.5	926	100.0
1967-1976 Average	23	2.0	70	6.0	20	1.7	136	11.7	386	33.2	123	10.6	201	17.3	48	4.1	38	3.3	15	1.3	22	1.9	71	6.1	9	0.8	1,162	100.0

*Includes deaths arising out of occupational illnesses

**Includes: (1) farm workers. (2) related workers. (3) trappers and hunters. (4) quarrymen. (5) production process workers. (6) unskilled workers (Not agricultural, logging, fishing or mining). (7) communication workers. (8) related workers. (9) technical occupation workers. (10) related workers. (11) related workers. (12) recreation workers.

Ppreliminary

Table 7 — Fatalities* in Canadian industry by age** and sex, 1967-1976

Year	Age						Sex					
	Age not Known		Under 25		Over 25		Total		Male		Female	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1967	—	—	187	16.1	971	83.9	1,158	100	1,154	99.7	4	0.3
1968	—	—	165	16.2	855	83.8	1,020	100	1,017	99.7	3	0.3
1969	—	—	177	15.8	945	84.2	1,122	100	1,113	99.2	9	0.8
1970	—	—	169	15.9	892	84.1	1,061	100	1,051	99.1	10	0.9
1971	2	0.2	174	15.3	957	84.5	1,133	100	1,124	99.2	9	0.8
1972	4	0.3	203	16.4	1,033	83.3	1,240	100	1,219	98.3	21	1.7
1973	1	0.1	256	18.5	1,122	81.4	1,379	100	1,359	98.5	20	1.5
1974	9	0.6	230	16.3	1,174	83.1	1,413	100	1,395	98.7	18	1.3
1975	68	5.8	183	15.7	917	78.5	1,168	100	1,153	98.7	15	1.3
1976 ^P	61	6.6	155	16.7	710	76.7	926	100	910	98.3	16	1.7
1967-1976 Average	14	1.2	190	16.4	958	82.4	1,162	100	1,150	99.0	12	1.0

*Includes deaths arising out of occupational illnesses.

**For workers whose deaths arose out of an occupational illness, the age of the worker at the time of his death is used.

^P Preliminary

Table 8 — Fatalities* in Canadian industry by type of accident**, 1967-1976

A. Numerical distribution

Year	(1) Transport	(2) Struck by or Against	(3) Caught, in, on or Between	(4) Fall and Slip	(5) Drowning and Asphyxiation	(6) Cardio- vascular Strain	(7) Over- exertion	(8) Systemic Poisoning	(9) Occupational Illnesses	(10) Fire, Explosion, Temperature Extremes	(11) Contact with Electric Current	(12) Late Effects	(13) Miscellaneous	Total
1975	264	230	81	102	61	69	11	23	153	45	56	45	28	1,168
1976 ^P	236	136	68	93	40	42	14	6	110	37	33	71	40	926

B. Percentage distribution

Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Total
1975	22.6	19.7	6.9	8.7	5.2	5.9	0.9	2.0	13.1	3.9	4.8	3.9	2.4	100.0
1976 ^P	25.5	14.7	7.3	10.1	4.3	4.5	1.5	0.6	11.9	4.0	3.6	7.7	4.3	100.0

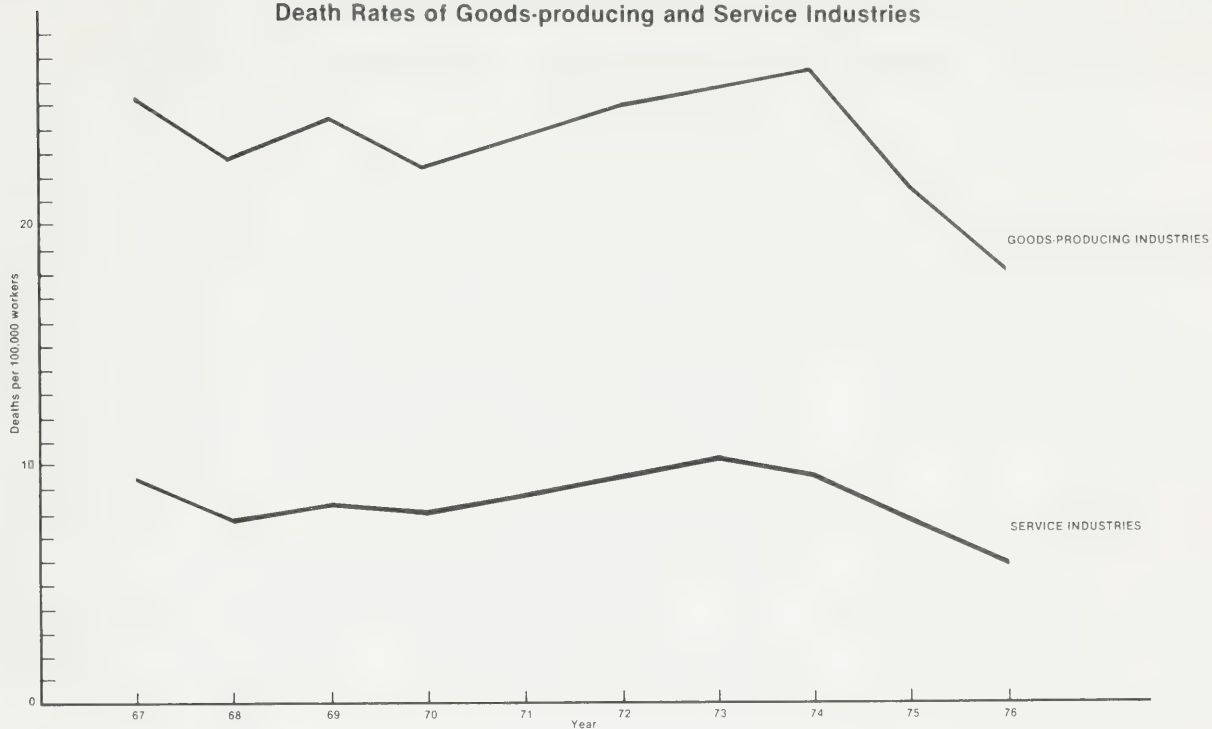
*Includes deaths arising out of occupational illnesses.

**Includes: (1) Collisions, crashes, derailments, etc. (2) stepping on. (3) machinery, vehicles, etc. (4) on same or different levels. (5) drownings in boat accidents and falls into water. (6) arterial diseases, cerebrovascular diseases, etc. (7) strains, hernias, etc. (8) injuries affecting functioning of an entire body system such as poisoning, corrosive action affecting internal organs, damage to nerve centres, etc. (9) silicosis, asbestosis; radiation effects such as lung cancer. (10) deaths from injuries in fires and explosions such as asphyxiation, falls, struck by flying objects. (11) lightning. (12) deaths more than a year after accident. (13) homicides, suicides, bites, stings, unspecified.

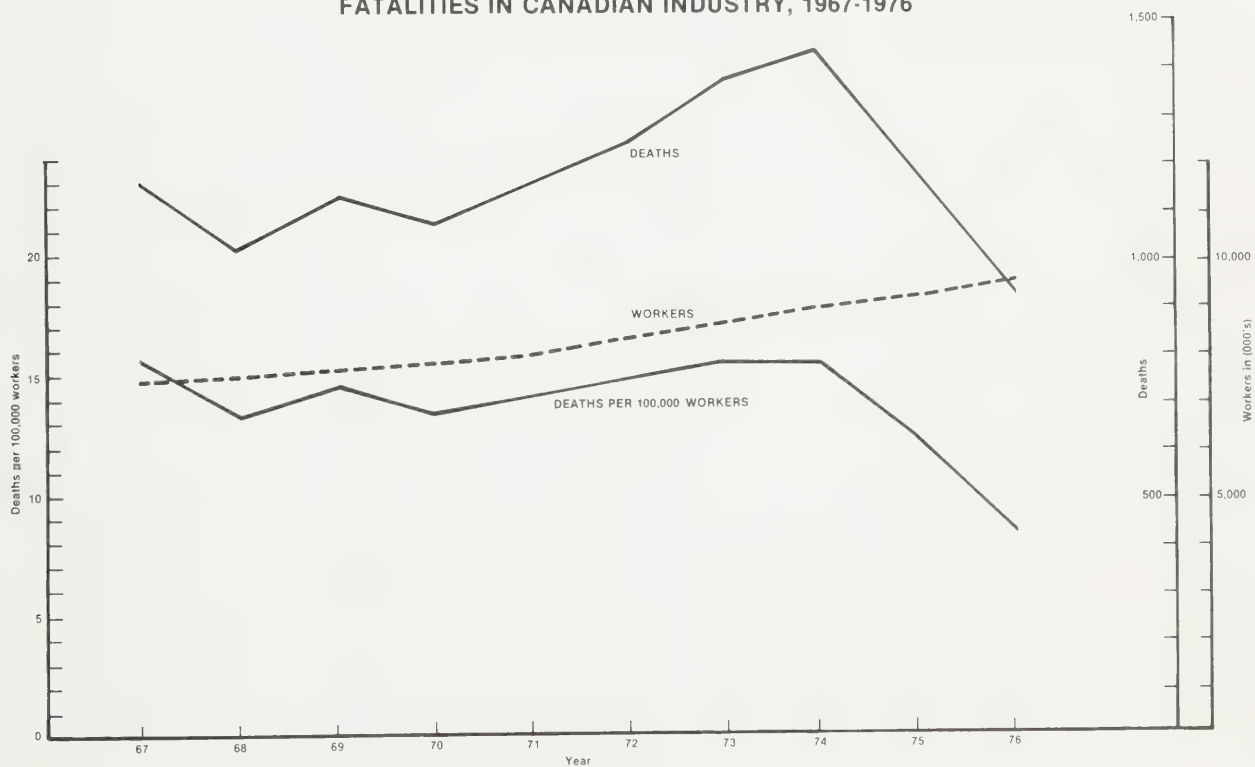
Due to changes in accident type classification categories, data prior to 1975 not available for comparison purposes.

^P Preliminary

FATALITIES IN CANADIAN INDUSTRY, 1967-1976 Death Rates of Goods-producing and Service Industries



FATALITIES IN CANADIAN INDUSTRY, 1967-1976



Industrial and geographic distribution of union membership in Canada, 1976

Union membership figures in the following tables are compiled by the Labour Data Branch of Labour Canada. The basic data on national and international unions and their locals or branches are obtained, in the first instance, by Statistics Canada through the operation of the Corporations and Labour Unions Returns Act. These data, made available to Labour Canada through a co-operative arrangement, are supplemented by information collected directly by the Labour Data Branch from independent local organizations, from some unions that are not subject to the reporting requirements of CALURA, and from central labour bodies operating in Canada.

Aggregate statistical information on the labour movement in Canada is available in *Labour Organizations in Canada 1976-1977*, a handbook that contains statistical tables on union membership and a comprehensive directory of labour organizations active in Canada showing names of the principal officers, publications and the distribution of the locals. The statistical information sets forth Canada-wide totals by congress affiliation, type and size of union.

Table 1 gives the distribution of union membership by industry on the basis of the Statistics Canada Standard Industrial Classification

(1970). The locals in Table 1 are non-additive, because many locals have members in more than one industry. The information in Table 2 lists, in alphabetical order, the names of the international and national unions and the independent local organizations that account for more than one tenth of the organized workers within each of the industry groups. All organizations active within any particular industry group are thus not necessarily shown — only those having more than 10 per cent of the union membership reported in the group. Table 3 shows union membership by province and Table 4, by locals and metropolitan area.

TABLE 1 — UNION MEMBERSHIP BY INDUSTRY, CANADA, 1976

INDUSTRY GROUP	NO. OF LOCALS	TOTAL MEMBERS	FEMALE MEMBERS
AGRICULTURE	57	3,004	270
FORESTRY	59	32,165	702
FISHING AND TRAPPING	25	3,014	18
MINES, QUARRIES AND OIL WELLS	237	60,362	1,097
Metal Mines	112	37,775	700
Mineral Fuels	39	10,693	101
Non-Metal (except coal mines)	41	8,809	276
Quarries and Sand Pits	33	1,744	
Services Incidental to Mining	12	1,341	20
MANUFACTURING	3,891	866,250	161,237
Food	354	92,148	25,730
Beverages	97	12,309	835
Tobacco Products	18	5,593	2,444
Rubber and Plastic Products	112	19,966	3,538
Leather	65	11,289	6,114
Textile	200	32,619	12,570
Knitting Mills	26	2,487	1,790
Clothing	129	50,319	39,311

TABLE 1 — UNION MEMBERSHIP BY INDUSTRY, CANADA, 1976 (Concluded)

INDUSTRY GROUP	NO. OF LOCALS	TOTAL MEMBERS	FEMALE MEMBERS
Wood	158	52,240	3,358
Furniture and Fixture Industries	104	16,979	3,362
Paper and Allied Industries	441	89,935	7,345
Printing, Publishing and Allied Industries	189	31,438	5,537
Primary Metals	226	79,774	1,407
Metal Fabricating	438	62,526	6,030
Machinery	205	37,030	2,713
Transportation Equipment	269	126,946	9,019
Electrical Products	245	63,589	19,585
Non-Metallic Mineral Products	232	32,246	2,942
Petroleum and Coal Products	35	5,953	80
Chemical and Chemical Products	237	24,923	2,611
Miscellaneous Manufacturing	111	15,941	4,916
CONSTRUCTION	667	304,255	3,716
TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES	2,490	440,093	74,858
Air Transport and Incidental Services	176	28,818	6,962
Railway Transport	785	106,615	3,409
Water Transport and Incidental Services	130	33,171	1,483
Truck Transport	146	41,040	611
Buses and Street Cars	86	29,290	773
Other Transport	37	2,860	326
Storage	73	13,218	1,338
Communication	897	127,348	52,065
Electrical Power, Gas and Water Utilities	160	57,733	7,891
TRADE	479	131,798	43,867
FINANCE, INSURANCE AND REAL ESTATE	65	9,242	5,635
COMMUNITY, BUSINESS AND PERSONAL SERVICES INDUSTRIES	2,680	753,812	417,292
Education and Related Services	952	388,107	175,027
Health and Welfare	1,274	265,797	209,474
Religious Organizations	4	446	291
Amusement and Recreation	111	41,804	5,388
Services to Business Management	54	5,268	1,233
Personal Services	60	5,721	3,387
Accommodation and Food	113	38,097	18,559
Miscellaneous Services	112	8,572	3,933
PUBLIC ADMINISTRATION	2,548	436,395	129,763
Federal Administration	1,056	155,183	42,209
Provincial Administration	673	164,909	63,059
Local Administration	818	116,252	24,495
Other Government Services	1	51	
INDUSTRY UNSPECIFIED	11	1,601	394
TOTAL	*	3,041,941	838,849

* Non-additive

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1976

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
AGRICULTURE	Agriculture Union-PSAC-(CLC) *Ontario Public Service Employees Union (Ind.)
FORESTRY	Carpenters (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC) Woodworkers' Federation (Ind.)
FISHING AND TRAPPING	Food Workers (AFL-CIO/CLC) United Fishermen (CLC)
MINES, QUARRIES AND OIL WELLS	
Metal Mines	Steelworkers (AFL-CIO/CLC)
Mineral Fuels	United Mine Workers (CLC) Steelworkers (AFL-CIO/CLC)
Non-Metal (except coal mines)	International Operating Engineers (AFL-CIO/CLC) Metal Trades, Mines and Chemical Products Union (CNTU) Steelworkers (AFL-CIO/CLC)
Quarries and Sand Pits	Building and Woodworkers Federation (CNTU) Cement Workers (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Services Incidental to Mining	Canadian Mine Workers (CCU) Canadian Smelter Workers (CCU) Labourers (AFL-CIO/CLC)
MANUFACTURING INDUSTRIES	
Food Industries	Bakery Workers (AFL-CIO/CLC) Food Workers (AFL-CIO/CLC) Teamsters (Ind.)
Beverage Industries	Brewery Workers (CLC) Distillery Workers (AFL-CIO/CLC) Teamsters (Ind.)
Tobacco Products Industries	Tobacco Workers (AFL-CIO/CLC)
Rubber and Plastic Products Industries	Oil Workers (AFL-CIO/CLC) Rubber Workers (AFL-CIO/CLC)
Leather Industries	Boot and Shoe Workers (AFL-CIO/CLC) Clothing Workers' Federation (CSD) Food Workers (AFL-CIO/CLC) Leather and Plastic Workers (AFL-CIO/CLC) United Shoe Workers (AFL-CIO/CLC)
Textile Industries	Textile Federation (CSD) Textile Workers Union (AFL-CIO/CLC) United Textile Workers (AFL-CIO/CLC)

*The Ontario Public Service Employees Union was disaffiliated from the CLC in May 1976

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1976 (Continued)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
Knitting Mills Industries	Clothing Workers' Federation (CSD) Textile Chemical Union (CCU) Textile Workers Union (AFL-CIO/CLC)
Clothing Industries	Amalgamated Clothing Workers (AFL-CIO/CLC) Ladies' Garment Workers (AFL-CIO/CLC)
Wood Industries	Carpenters (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC)
Furniture and Fixture Industries	Steelworkers (AFL-CIO/CLC) Upholsterers (AFL-CIO/CLC) Woodworkers (AFL-CIO/CLC)
Paper and Allied Industries	Canadian Paperworkers (CLC) Paper and Forest Workers Federation (CNTU)
Printing, Publishing and Allied Industries	Graphic Arts Union (AFL-CIO/CLC) Newspaper Guild (AFL-CIO/CLC) Printing and Graphic Communications Union (AFL-CIO/CLC) Typographical Union (AFL-CIO/CLC)
Primary Metal Industries	Independent Local Organizations Steelworkers (AFL-CIO/CLC)
Metal Fabricating Industries	Machinists (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Machinery Industries	Auto Workers (CLC) Machinists (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Transportation Equipment Industries	Auto Workers (CLC)
Electrical Products Industries	I.U.E. (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC) U.E. (CLC)
Non-Metallic Mineral Products Industries	Cement Workers (AFL-CIO/CLC) Glass and Ceramic Workers (AFL-CIO/CLC) Teamsters (Ind.)
Petroleum and Coal Products Industries	Oil Workers (AFL-CIO/CLC) United Oil Workers of Canada (CCU)
Chemical and Chemical Products Industries	Chemical Workers (AFL-CIO/CLC) Metal Trades, Mines and Chemical Products Union (CNTU) Oil Workers (AFL-CIO/CLC) Steelworkers (AFL-CIO/CLC)
Miscellaneous Manufacturing Industries	Auto Workers (CLC) Steelworkers (AFL-CIO/CLC)

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1976 (Continued)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
CONSTRUCTION INDUSTRY	Carpenters (AFL-CIO/CLC) Labourers (AFL-CIO/CLC) Plumbers (AFL-CIO/CLC)
TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES	
Air Transport and Incidental Services	Air Line Employees (CLC) Air Line Flight Attendants (CLC) Machinists (AFL-CIO/CLC)
Railway Transport	Maintenance of Way (AFL-CIO/CLC) Railway Clerks (AFL-CIO/CLC) Railway, Transport and General Workers (CLC) United Transportation Union (AFL-CIO/CLC)
Water Transport and Incidental Services	I.L.A. (AFL-CIO/CLC) Merchant Service Guild (CLC) Railway, Transport and General Workers (CLC) Seafarers (AFL-CIO/CLC)
Truck Transport	Teamsters (Ind.)
Buses and Street Cars	Independent Local Organizations Public Service Employees Federation (CNTU) Transit Union (AFL-CIO/CLC)
Other Transport	Public Service Employees Federation (CNTU) Ontario Public Service Employees Union (Ind.) Teamsters (Ind.)
Storage	Grain Services Union (CLC) Railway Clerks (AFL-CIO/CLC) Retail Clerks (AFL-CIO/CLC)
Communications	Canadian Telephone Employees (Ind.) Letter Carriers (CLC) Postal Workers (CLC)
Electric Power, Gas and Water Utilities	C.U.P.E. (CLC) I.B.E.W. (AFL-CIO/CLC)
TRADE	Food Workers (AFL-CIO/CLC) Retail Clerks (AFL-CIO/CLC) Retail, Wholesale Union (AFL-CIO/CLC)
FINANCE, INSURANCE AND REAL ESTATE	Commerce Federation (CNTU) Office Employees (AFL-CIO/CLC) Ontario Public Service Employees Union (Ind.)

TABLE 2 — UNION REPRESENTATION WITHIN INDUSTRY GROUPS, 1976 (Concluded)

INDUSTRY GROUP	UNIONS COMPRISING MORE THAN 10 PER CENT OF THE TOTAL MEMBERSHIP IN INDUSTRY GROUP (IN ALPHABETICAL ORDER)
COMMUNITY, BUSINESS AND PERSONAL SERVICES INDUSTRIES	
Education and Related Services	C.U.P.E. (CLC) Manitoba Teachers' Society (Ind.) Quebec Teachers' Congress (Ind.)
Health and Welfare Services	C.U.P.E. (CLC) Service Employees Union (AFL-CIO/CLC) Social Affairs Federation (CNTU)
Religious Organizations	Social Affairs Federation (CNTU)
Amusement and Recreation Services	Musicians (AFL-CIO/CLC)
Services to Business Management	Office Employees (AFL-CIO/CLC) Teamsters (Ind.)
Personal Services	Barbers Federation (Ind.) Laundry Workers (CLC) Teamsters (Ind.)
Accommodation and Food Services	Hotel Employees (AFL-CIO/CLC)
Miscellaneous Services	Auto Workers (CLC) Office Employees (AFL-CIO/CLC) Service Employees Union (AFL-CIO/CLC)
PUBLIC ADMINISTRATION AND DEFENCE	
Federal Administration	National Component-PSAC-(CLC) National Defence-PSAC-(CLC) Professional Institute (Ind.)
Provincial Administration	Alberta Provincial Employees (CLC) B.C. Government Employees (CLC) Ontario Public Service Employees (Ind.) Quebec Government Employees (Ind.)
Local Administration	C.U.P.E. (CLC) Fire Fighters (AFL-CIO/CLC)
INDUSTRY UNSPECIFIED OR UNDEFINED	Building & Woodworkers Federation (CNTU) Canadian Operating Engineers (CCU) Service Employees International (AFL-CIO/CLC)

TABLE 3 — UNION MEMBERSHIP BY PROVINCE, 1976

PROVINCE	NO. OF LOCALS	TOTAL MEMBERS	FEMALE MEMBERS
Newfoundland	360	61,958	14,670
Prince Edward Island	92	9,088	3,303
Nova Scotia	496	92,177	24,571
New Brunswick	512	81,628	22,304
Quebec	3,405	846,126	263,629
Ontario	3,816	1,117,864	281,706
Manitoba	588	135,059	42,643
Saskatchewan	450	90,116	32,144
Alberta	675	184,946	55,418
British Columbia	1,211	417,474	97,252
Yukon and N.W.T.	54	5,505	1,209
TOTAL	11,659	3,041,941	838,849

TABLE 4 — UNION MEMBERSHIP BY LOCALS, BY METROPOLITAN AREA, 1976

METROPOLITAN AREA	NO. OF LOCALS	TOTAL MEMBERS	FEMALE MEMBERS
St. John's	132	36,380	11,430
Halifax	158	54,031	17,136
Saint John	113	20,637	4,905
Chicoutimi-Jonquière	94	21,835	3,663
Montreal	966	449,543	137,738
Quebec	302	95,198	33,509
Hamilton	236	75,597	14,619
Kitchener	122	31,479	7,808
London	165	44,568	13,915
Ottawa	291	115,478	34,561
St. Catharines	174	35,433	4,987
Sudbury	84	30,313	3,305
Thunder Bay	111	28,399	5,328
Toronto	852	453,036	132,755
Windsor	96	46,025	7,626
Winnipeg	311	104,426	34,111
Saskatoon	106	31,115	12,496
Regina	111	32,569	10,938
Calgary	165	55,977	12,416
Edmonton	203	98,302	33,821
Vancouver	428	269,383	60,618
Victoria	128	44,239	14,301

comment

Technological change calls for administrative innovations

Accompanying technological innovations at the workplace is a flow of administrative innovations in the business organization. Technological change has not only resulted in a transformation of production methods; it has placed at management's disposal a variety of new administrative aids and instruments. These give management opportunities to rationalize the system of information and decision-making in the firm. Further technological change creates a need for continuous adaptation of the firm's administrative system and organization. Work assignments must be revised, contact and communication between members of the staff must be redirected and areas of decision-making must be reformulated as attempts are made to fashion new organizational and administrative solutions to the new technical and personnel problems that arise.

The introduction of highly advanced production and information techniques may lead to changes in the process of decision-making, i.e., either in the direction of centralization or decentralization, and consequently to shifts in the distribution of power and influence in the firm. Retaining the traditional organizational form probably would lead to shifting the decision-making process upwards along the hierarchy. Increased centralization is accompanied by a reduced freedom of choice and manoeuvre,

less room for individual initiative especially at lower organizational levels and a much more impersonal operation.

To offset some of the above mentioned effects it has been suggested that labour have some say in the management of a firm. If so, how and to what extent? Ideally it would appear that management and labour should come together as partners, each recognizing the needs of the other and each with a deep seated understanding that such recognition is based upon mutual self-interest. How can this come about? Is complete or partial auto-management the answer or does that lead to an unresolvable conflict of interests? The various developments in industrial democracy both in Canada and elsewhere should be closely followed.

Jack Basuk

*Project Officer
Science Council of Canada*

Canada needs more industrial relations experts

It is essential that some of Canada's best young people prepare themselves for careers in industrial relations, whether they choose to represent management or labour at the bargaining table and on the shop floor.

This will require a change in attitudes. For too long, the key jobs in the enterprise have been rated in some kind of tribal pecking order, when a more appropriate configuration would have been a circle of

equals. The "glamour" jobs which the status seekers vied for were in marketing. But seldom has the way to the top been won by the industrial relations expert. Canada needs the best possible designers, production managers and salesmen. But it also needs the men and women who can develop and maintain good industrial relations.

This tendency to relegate industrial relations to an inferior status was given a rude shock by the wave of industrial unrest which swept Canada in the last few years. The federal government, as well as most of the provincial governments, came under strong public pressure to intervene in labour-management disputes, and even to institute compulsory settlements. These pressures reached the stage where the essential freedoms enjoyed by both labour and management to work out their own problems were seriously threatened.

John Munro

Minister, Labour Canada

CLC's view on worker participation "strictly negative"

When we talk about industrial democracy, I have no trouble in supporting the view that in the North American context collective bargaining represents our primary experience in industrial democracy. Collective bargaining has been the principal instrument for breaking down autocratic industrial rule and giving workers a share of power, with management,

in the determination of wages and working conditions.

We must also be aware that in some of the countries which have a free and strong trade union movement, and which have experienced less industrial strife and a better economic performance than Canada in some recent years, there is a growing willingness to complement collective bargaining with new forms of industrial democracy. I am thinking in particular of worker representation on the board of directors.

I believe that the position of the Canadian Labour Congress on worker participation on the board is strictly negative. There is also little, if any, encouragement for the idea on the part of management. The CLC has examined the concept and determined, quite correctly, that representation on the

board in an organized shop would have to be performed by a union member, and that this representation would inevitably conflict with the objectives of the union in collective bargaining. Faced with that choice, the labour movement rejected any thought of pursuing the matter.

If you examine what's happening elsewhere, as my officials are doing, you find that trade unions are ready to experiment. The labour movement of the United Kingdom, which five or six years ago opposed representation on the board for the same reasons as the CLC, has now come around to the point where some of the major British unions are in favour of the idea. They have not compromised their faith in collective bargaining, and they don't regard representation and collective bargaining as mutually exclusive. They see repre-

sentation as a means of supplementing and enriching collective bargaining. In recent years they have become more aware that collective bargaining can't deal with all the problems in the work relationship, and that collective bargaining frequently attempts to deal with problems after the major decisions have been made. Collective bargaining, for example, does not usually, or always, deal with corporate investment plans, mergers, acquisitions, plant transfers, layoffs and other decisions that affect job security.

I believe this is a concept which has great potential in the Canadian context, and I am prepared to do what I can to encourage some experimentation in one or two of the federal Crown corporations.

John Munro

Minister, Labour Canada

Research Notes

Arbitration

"Final Arbitration and Inter-temporal Compromise," by James B. Dworkin. *Relations Industrielles*, Volume 32, No. 2.

A recent assessment of final offer arbitration prompted the criticism that it tempts arbitrators to compromise over time and thus encourages the party that lost at arbitration in the previous round to re-use arbitration in the next round in the hope of winning. The author evaluates this criticism on the basis of evidence from the realm of professional baseball and from the University of Alberta's experience with the final offer procedure.

The evidence from baseball does not seem to suggest a strong probability that final offer arbitration will be used in subsequent wage rounds after the procedure has been used initially, nor that the losing party in any particular year will be the one to seek arbitration in the next round. Moreover, performance data suggests that arbitrators made their decisions based upon the most reasonable final position put before them and not to minimize alienation of the parties or to maximize the probability of being selected as an arbitrator. The University of Alberta experience is viewed as an example of the successful functioning of the final offer procedure.

Earnings

"Managerial Compensation in the Federal Public Service," by David Morley. *Canadian Business Review*, Summer 1977.

Contrary to common belief, salaries of federal public servants are not ahead of but rather have always followed the market. Average remuneration per hour in the federal public service is lower for management and professionals and also for office and non-office employees than it is outside the public service. The federal public sector is also comparable with the average level of fringe benefits provided by outside employers.

In addition to showing how federal

public service compensation compares with that outside, the author discusses the federal government's compensation policy and bargaining practice, and the question of how compensation policies are established.



"Wage Differentials between Native and Foreign Born Canadians," by B.B. Tandon and K.K. Tandon. *Relations Industrielles*, Vol. 32, No. 2.

The objective of this study is to estimate the extent of the male-female wage differential in a local labour market among native and foreign-born Canadians. The authors use a "human capital" model which they test by regression analysis, using data from Metropolitan Toronto derived from the Public Use Sample of the 1971 Canadian Census of Population.

The results suggest that native-born Canadians earn a higher rate of return on schooling, on-the-job training and vocational training than foreign-born Canadians. Both native-born and foreign-born women get lower wages than comparable men, though the differential is larger in the case of foreign-born women.



"Concentration and Labor Earnings in Manufacturing and Utilities," by James A. Dalton and E.J. Ford, Jr. *Industrial and Labor Relations Review*, October 1977.

This study examines the role of market power in the determination of the level of wages in U.S. manufacturing and utilities. More specifically, the hypothesis tested is that market power has a positive association with the level of wages after adjusting for industry, levels of skill and experience, discrimination and other influences. The

empirical results offer strong support for this hypothesis. They suggest that manufacturing workers in highly concentrated industries earned \$2,564 per year more on average than workers in low concentration industries. Workers' earnings rise, moreover, as concentration increases. The impact of unionization on wages appears to be much less clear.

Hours of work

"How blue-collar workers on 4-day workweeks use their time," by David Mark Maklan. *Monthly Labor Review*, August 1977.

The primary focus of this article, derived from a larger study, is on how workers on 4-day and 5-day work schedules allocate their time among different activities and on differences in their pattern of time use. The general picture that emerges is one of marked similarity with respect to both how time is distributed among the various activities and to who participates. Rather than engaging in novel endeavours during new discretionary time, 4-day workers tend merely to rearrange their activity schedules. When they find themselves with "spare time" they simply expand the amount of time allocated to familiar patterns of behaviour.

Despite these similarities, 4-day workers expressed greater satisfaction with their use of time than did those on the standard work schedule. Moreover important differences were also found in their respective arrangements of overtime, in the amount of time spent with and caring for children, and in the extent of time given to task-oriented activities.

Industrial conflict

Les Conflits en Milieux de Travail.

Industrial Relations Centre, University of Montreal, 1977.

The proceedings of the University of Montreal's seventh annual industrial relations conference were devoted to the issue of industrial conflict. This volume includes papers by Paul Lacoste on Industrial Conflict in Advanced Industrial Societies and by Leo Roback on the Sources of Industrial Conflict in Quebec. Also included are shorter papers by workshop leaders on respect for the law; the duration of negotiations; wage controls; the impri-soning effect of work; union attitudes; third party rights; and how to live with conflict. Possible solutions to some of these problems are discussed in the concluding section.

Job satisfaction

Money Which? Consumers' Association (U.K.), September 1977.

Clergymen get the most satisfaction out of work, despite being at the bottom of the pay scale, according to a survey by the British Consumers' Association. Questionnaires about their jobs were completed by some 24,000 people.

Asked if they were satisfied with their jobs, 58 per cent of clergymen were very satisfied, followed by 48 per cent of company directors and farmers, with opticians and lawyers next most satisfied. The least satisfied were draughtsmen, actuaries and researchers. When asked if they would choose the same occupation if starting all over again, clergymen again came at top of the list. Unskilled people, clerks, secretaries and insurance executives were least likely to.

The main conclusions drawn from the survey were that being inter-

ested in a job and feeling one's abilities being used to the full seemed more important in determining levels of satisfaction than the amount of money earned.



Le Malaise des Cadres: Une Réévaluation. Ministère du Travail et de la Main-d'oeuvre, Quebec, 1977.

This study summarizes interviews with spokesmen for 12 Montreal firms which were considered to have progressive personnel policies; presents the results of a survey of 250 supervisors in these companies concerning the policies of their employers; and describes the policies of these employers with regard to salary, benefits, evaluation and promotion, training and development, and decentralization and participation.

Conclusions drawn from the survey were: (1) about 90 per cent of the supervisors were satisfied with their jobs; (2) compensation policy was the most important factor affecting the level of satisfaction, followed by policies relating to promotion and communications; and (3) policies that were regarded as unsatisfactory were those relating to participation in decisions and career planning.

Pensions

Public and Private Pensions in Canada: an economic analysis, by J.E. Pesando and S.A. Rea, Jr. Ontario Economic Council, 1977.

At an inflation rate of 8 per cent, the real value of today's private pensions will be cut in half every 10 years. The implications of this and of related problems are explored in this study of public and private pensions in Canada.

The analysis of private pensions examines the adequacy of vesting and 'locking in' provisions, together with the broader question of whether the private pension system as presently constituted can remain viable in an inflationary climate. The analysis of public programs focuses on the financing of public pension plans, the income redistribution effects of the Canada Pension Plan, and the incentive effects of public retirement programs.

Safety

"Who has the most dangerous job?" *The Miners' Voice*, October 1977.

Mining is the most dangerous job in the country, an analysis by the United Steelworkers shows. Miners have the worst frequency of lost-time accidents and a higher fatality rate than any occupation except firefighters. The fatality rates cited do not include deaths off the job caused by conditions at work, such as dust, fatigue, radiation, heat, toxic chemicals and other typical mining hazards.

The article also notes that there are wide variations in the incidence of lost-time injuries and fatalities within the mining industry, a fact which is taken to indicate that it is local conditions at individual mines as well as attitudes of management at those operations that cause accidents and deaths, rather than any inherent danger in the industry.

Wage-price controls

L'Impact de la Politique Canadienne de Contrôle des Prix et des Revenus sur les Ententes Salariales, by Jean-Michel Cousineau

and Robert Lacroix. Economic Council of Canada, Discussion Paper No. 95.

This paper assesses the effects of Canada's wage and price controls program on the rate of wage increase in major collective agreements. On the basis of a statistical analysis which shows what the probable rate of increase would have been in the absence of controls, the authors conclude that it may have achieved its desired objective. Between November 1975 and the second quarter of 1977, the rate of wage increase was estimated to be 1.7 percentage points lower in the private sector and 4.3 percentage points lower in the public sector. The impact was progressive in both sectors, but more rapid in the public sector.

Work sharing

"Work Sharing Initiatives at Home and Abroad," by Sar A. Levitan and Richard S. Belous. *Monthly Labor Review*, September 1977.

Many European nations have specifically designed their unemployment compensation programs to promote work sharing as an alternative to layoffs. This article reviews different European approaches to work-sharing and a few experiments that have been undertaken in U.S. industries.

The examples indicate that work sharing can have a positive short-run role in combatting unemployment and diffusing the impact of an economic downturn. In the long run, however, it is considered that reduced worktime by itself, without proper economic stimulus, would probably prove ineffective.

The foregoing was prepared by Laurence A. Kelly, an independent industrial relations researcher and writer in Kingston, Ontario.

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Collective Bargaining

Steinberg, Charles. *Collective bargaining rights in the Canadian sea fisheries: a case study of Nova Scotia.* Ann Arbor, Mich., University Microfilms, 1976. 436p.

Discussion of the limited collective bargaining rights of Canadian fishermen, who are mainly excluded from labour law coverage. Concludes that the law is illogical in defining non-owner fisherman as limited partners with, rather than employees of the owners because such fishermen are paid by share of the catch proceeds. Encourages unionization of fishermen.

Directors of Corporations

Harris, André. *Les patrons*, par André Harris et Alain de Sédov. Paris, Éditions du Seuil, 1977. 419p.

Equal Pay for Equal Work

Blau, Francine D. *Equal pay in the office.* Lexington, Mass., Lexington Books, 1977. 158p.

Family and Work

Kanter, Rosabeth Moss. *Work and family in the United States: a critical review and agenda for research and policy.* New York, Russell Sage Foundation, 1977. 116p.

Examines theory, research and policy concerning the relationships between work and family in American society. Discusses reasons for the continued gap between work and family; the impact of occupational structures on families; influences of the family on the work world; women's employment and family relations; and the effects of both work life and family life on personal well-being.

Industrial Disputes

Colloque: Relations industrielles. 7^e, Université de Montréal, 1976. *Les conflits en milieux de travail.* Publié sous la direction de Jean-Pierre Daubigny. Montréal, École des relations industrielles, Université de Montréal, 1977. 99p.

Rousseau, André. *Le droit du gréviste à son emploi*, par André Rousseau et Claude D'Aoust. Montréal, 1977. p.550-560. (Montréal, Université. Ecole de relations industrielles. Tiré-à-part, 18)

Industrial Relations

Sloane, Arthur A. *Labor relations*,

by Arthur A. Sloane and Fred Witney. 3d ed. Englewood Cliffs, N.C. Prentice-Hall, 1977. 524p.

Focuses on collective bargaining, with emphasis on the development and application of contemporary bargaining issues. Examines the historical, legal and structural environments influencing contractual contents and labour relations behavior. New material on public sector unionism, arbitration law, seniority rights, occupational safety and health, government wage and price controls and women in labour unions.

Industrial Health

Commerce Clearing House. *Occupational safety and health standards for general industry.* (29 CFR Part 1910): promulgated by the Occupational Safety and Health Administration, United States Department of Labor; with amendments as of January 1, 1977. Chicago, 1977. 384p.

Commerce Clearing House. *Occupational safety and health standards for the construction industry.* (29 CFR Part 1926): promulgated by the Occupational Safety and Health Administration, United States Department of Labor, with amendments as of January 1, 1977. Chicago, 1977. 103p.

Labour Economics

Research in labor economics; an annual compilation of research.

v.1, 1977. Edited by Ronald G. Ehrenberg. Greenwich, Conn., JAI Press, 1977 376p.

Labour Organization

Cot, Jean-Pierre. *Les syndicats américains; conflit ou complicité?* par Jean-Pierre Cot et Jean-Pierre Mounier. Paris, Flammarion, 1977. 184p.

Noise

Brunet, Jean-Marc. *Le bruit et la santé.* Montréal, Éditions du Jour, c1976. 176p.

Technological Change

Confédération française démocratique du travail. *Les dégâts du progrès: les travailleurs face au changement technique.* Paris, Éditions du Seuil, 1977. 316p.

Wages and Hours

British Columbia. Ministry of Labour. Research and Planning Branch. *A profile of low-wage workers in British Columbia,* by C. Aykroyd and P. Stanton. Victoria, 1977. 49p.

Results of a survey conducted at Canada Manpower Offices in B.C., outlining demographic, personal and labour market characteristics of low-wage earners. Refers to possible policy implications of the survey results, particularly concerning minimum wages and related social security measures directed toward low-wage groups.

Rowley, J.C.R. *The determination of wage-change relationships,* by J.C.R. Rowley and D.A. Wilton. Ottawa, Economic Council of Canada, 1977. 181p. Titre en français: La détermination des variations de salaire.

Women — Employment

Frank, Harold H. *Women in the organization.* Philadelphia, University of Pennsylvania Press, 1977. 310p.

Work Satisfaction

Gyllenhammar, Pehr G. *People at work.* Reading, Mass., Addison-Wesley, 1977. 164p.

Discussion of the use of small group works and job rotation at two Swedish automobile assembly plants, where rank-and-file workers played key roles in planning changes.

Thiétart, Raymond Alain. *La dynamique de l'homme au travail; une nouvelle approche par l'analyse de systèmes.* Préface de Jacques Lesourne. Paris, Éditions d'organisation, 1977. 233p.

PRICES, EMPLOYMENT, AND EARNINGS

THE CONSUMER PRICE INDEX — OCTOBER 1977

The Consumer Price Index (1971 = 100) advanced to 165.0 in October from 163.4 in September, an increase of 1.0 per cent. The year-over-year increase was 8.8 per cent, the highest twelve-month increase since May last year. The average price increase for the year so far is 7.7 per cent.

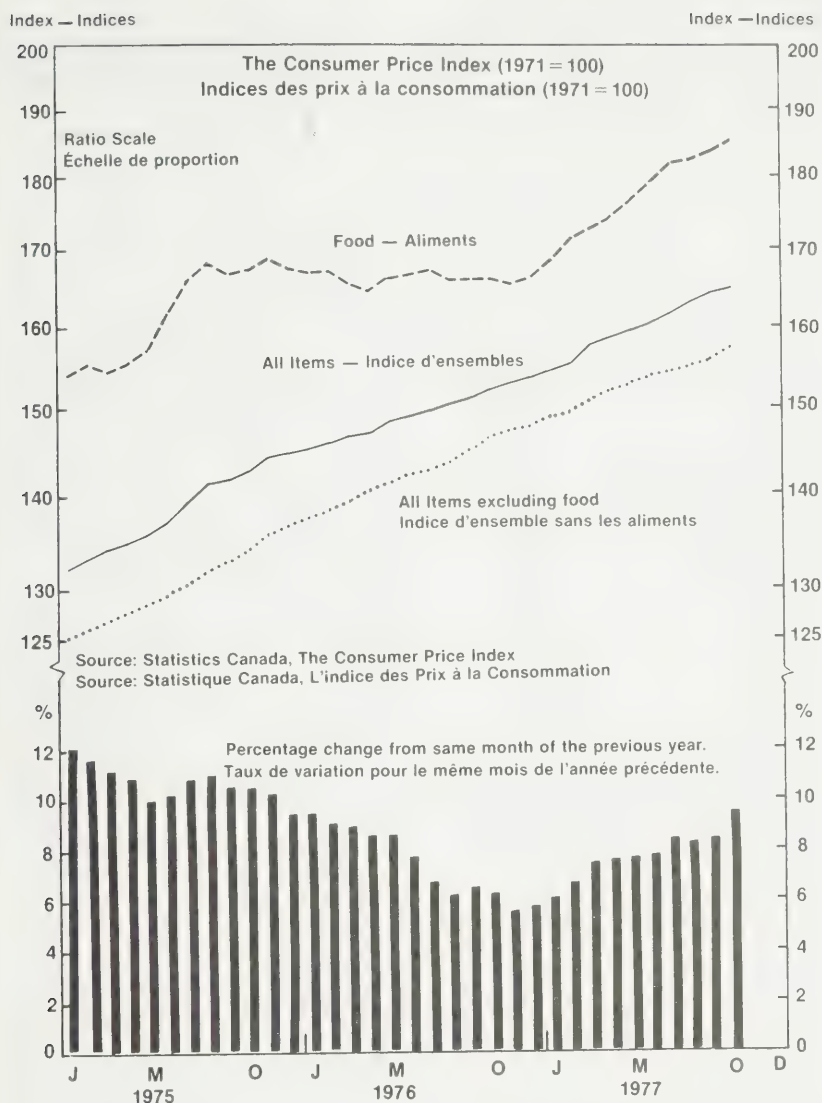
The food index advanced 1.4 per cent in October, mainly as a result of higher prices for fresh vegetables and beef products.

Lower prices for fresh fruits, eggs and poultry only marginally offset these increases. Food consumed at home rose 1.6 per cent in the latest month compared with 0.3 per cent for food consumed away from home. On a year-over-year basis food for home consumption increased 14.3 per cent while food away from home increased 5.6 per cent.

The non-food components of the CPI increased by 0.8 per cent from September. The housing index was

responsible for almost four fifths of this increase (and almost half of the increase in the All-Items Index). Residential property taxes, which are surveyed throughout the year are reflected only in the October index. An average rise of 10.4 per cent in the annual residential property taxes was largely responsible for higher home-ownership charges. Higher prices for fuel and utilities also contributed to the latest increase in the housing index. Higher clothing prices, especially for outerwear, also had a notable impact on the CPI. These were partially offset by a decline in the transportation index which was attributable to lower train fares and by small but widespread price decreases for gasoline.

The current annual rate of change, based on seasonally adjusted movements in the latest three



months, was up to 9.5 per cent from 7.4 per cent of the previous month. The seasonally adjusted CPI advanced 1.1 per cent between September and October, and food was up 1.9 per cent.

THE LABOUR FORCE — OCTOBER 1977

Seasonally adjusted data — changes from September 1977

Seasonally adjusted employment increased by 19,000 (or 0.2 per cent) in October to 9,844,000. The labour force increased at the same

rate, leaving the unemployment rate unchanged at 8.3 per cent.

There was a significant increase in adult male employment of 24,000 (or 0.5 per cent). This accounted for a drop of 0.3 percentage points in the adult male unemployment rate to 4.8 per cent, the lowest since last February. The unemployment rate for youths moved up again to 14.8 per cent. The high rate of growth in the labour force for adult females has maintained a steady rise in the unemployment rate for that group — from 6.9 per cent in July to 7.7 per cent in October.

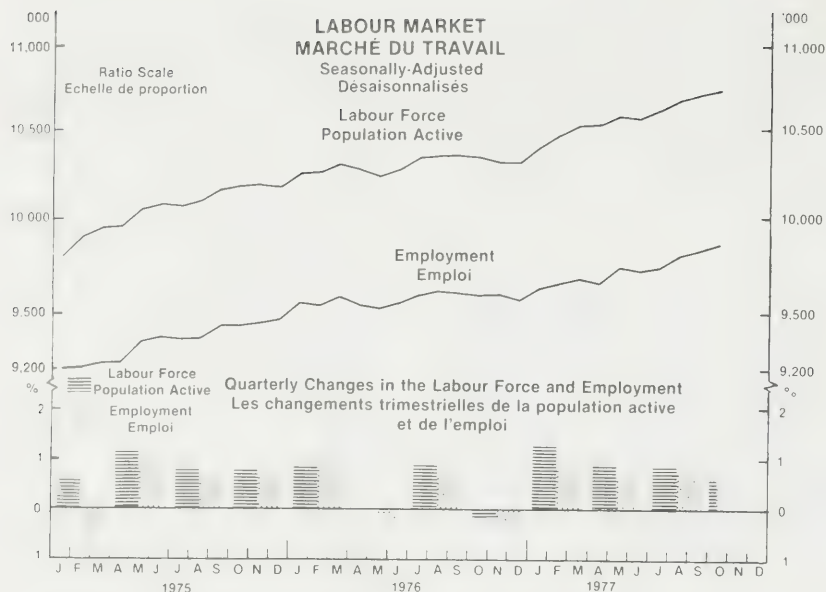
Regionally, Ontario recorded an increase of 50,000 new jobs (1.3 per cent) and this was reflected in a significant drop in the unemployment rate — from 7.3 to 6.8 per cent. In the Prairies, the increase in the level of employment was also significant (21,000 or 1.2 per cent), but it was accompanied by a similar rise in the labour force, and so the unemployment rate remained the same (4.8 per cent). In the other three regions, declines in employment levels resulted in increases in the unemployment rates. In the Atlantic region, the unemployment rate rose one point to 13.5 per cent; in Quebec it was up 0.6 percentage points to 11.4 per cent and in British Columbia it edged up 0.2 percentage points to 8.5 per cent.

A decrease of 28,000 (–1.5 per cent) in manufacturing employment outweighed continued employment growth in construction and agriculture, to cause an overall decline in employment in the goods-producing sector. After declining slightly in September, employment growth resumed in the service-producing sector — boosted by significant increases in the utilities and finance industries.

Unadjusted data

The actual level of employment (9,920,000) was 2.7 per cent higher in October than a year ago. In comparison the growth in the labour force was 3.5 per cent (to 10,707,000). The number of people unemployed was 787,000, an increase of 108,000 from October last. Of the number of persons unemployed, about 69,000 were either laid off or lost their job — and almost 75 per cent were youths 15-24 years old.

The actual unemployment rate in October was 7.3 per cent compared with 7.5 per cent in September and 6.6 per cent a year ago.



SOURCE: Statistics Canada, Labour Force Survey.
Statistique Canada, Enquête sur la population.

JOB VACANCIES — THIRD QUARTER, 1977

Preliminary estimates show that vacancies in the third quarter for all categories of jobs (52,200) increased 5.0 per cent from the second quarter and decreased 16.2 per cent from a year ago. Vacancies for full-time jobs (45,400) increased by 5.1 per cent from the second quarter, and long-term vacancies (15,900) — jobs unfilled for more than four weeks — increased by 20.5 per cent.

For every thousand existing jobs in the third quarter of 1977, six were vacant, the same as in the second quarter. The comparable rate a year ago was seven per thousand. The highest vacancy rates were observed in Alberta (10 per 1,000), Saskatchewan (7 per 1,000) and Ontario (6 per 1,000). The lowest vacancy rate (3 per 1,000) occurred in Newfoundland.

EARNINGS AND INCOME — AUGUST 1977

The seasonally adjusted average

weekly earnings for the industrial composite advanced 0.6 per cent to \$251.72 in August. All industry divisions, with the exception of forestry, registered gains. At the regional level, British Columbia showed a decrease, while the other regions recorded increases — the largest being in the Prairies (1.0 per cent).

In the manufacturing industry, seasonally adjusted average weekly earnings for August was \$268.05, an increase of 0.7 per cent. For the hourly-rated wage earners in manufacturing, average hourly earnings increased marginally to \$6.42 per hour, and average weekly hours increased from 38.6 to 38.8 hours.

On an unadjusted basis average weekly earnings for all industries increased 9.2 per cent to \$251.72 in August (from \$230.49 a year ago). In real terms this increase was 0.7 per cent.

Average weekly earnings (unadjusted) by industry division were: mining \$347.07 (11.6 per cent year-

over-year increase), manufacturing \$265.13 (9.6 per cent), construction \$381.30 (14.6 per cent), utilities \$290.43 (9.0 per cent), trade \$193.17 (7.9 per cent) and services \$173.42 (7.2 per cent).

Estimates of labour income, adjusted for seasonal variation, advanced by \$58 million between July and August to a total \$9,875.8 million. Wages and salaries for all industries increased 0.6 per cent to \$9,129.1 million, with manufacturing showing a *decline* of 0.5 per cent to \$2,050.8 million.

WAGE SETTLEMENTS — THIRD QUARTER, 1977

The major collective agreements settled in the third quarter provided for an average annual rate of increase of 7.5 per cent in the base rates. For the year ending in September 1977, the average annual increase was 7.9 per cent. In manufacturing, the increase was 7.3 per cent in the third quarter and 6.5 per cent over the twelve-month period.

STRIKES AND LOCKOUTS — AUGUST 1977

Strikes and lockout activities continued to moderate. During August 1977 there were 175 work stoppages which led to a total loss of 404,490 man-days. In July there were 169 stoppages and 466,650 man-days lost. For the year so far 2.6 million man-days have been lost compared with 6.9 million for the same period in 1976.

In relation to total time worked by non-agricultural paid workers, the time lost in August amounted to 20 man-days per 10,000 man-days worked, compared with 26 in July. For the eight-month period of the year, 18 man-days were lost to 10,000 worked compared with 48 for the same period last year.

labour statistics

LABOUR MARKET

	Unadjusted			Seasonally Adjusted				
	Oct. 1976	Oct. 1977	% change ¹	Aug. 1977	Sept. 1977	Oct. 1977	% change ² Sept.	Oct.
TOTAL	(numbers in thousands)							
Labour Force	10,342	10,707	3.5	10,677	10,711	10,730	0.3	0.2
Employment	9,663	9,920	2.7	9,798	9,825	9,844	0.3	0.2
Unemployment	679	787	5.9	879	886	886	0.8	0.0
Unemployment Rate (%)	6.6	7.3	—	8.2	8.3	8.3	—	—
Participation Rate (%)	60.9	61.7	—	61.7	61.8	61.8	—	—
Both Sexes: 15-24	60.0	61.4	—	63.3	63.7	63.7	—	—
Men:	77.3	77.4	—	77.6	77.8	77.8	—	—
— 25 and over	81.6	81.5	—	80.9	81.0	81.0	—	—
Women:	45.0	46.4	—	46.3	46.3	46.3	—	—
— 25 and over	41.8	43.0	—	42.4	42.3	42.3	—	—
EMPLOYMENT	9,663	9,920	2.7	9,798	9,825	9,844	0.3	0.2
Both Sexes: 15-24	2,365	2,405	1.7	2,445	2,470	2,464	1.0	- 0.2
Men:	6,095	6,207	1.8	6,113	6,136	6,155	0.4	0.3
— 25 and over	4,791	4,895	2.2	4,778	4,786	4,810	0.2	0.5
Women:	3,567	3,713	4.1	3,685	3,689	3,689	0.1	0.0
— 25 and over	2,507	2,620	4.5	2,575	2,569	2,570	- 0.2	0.0
Paid Workers	8,684	8,902	2.5	8,849	8,872	8,862	0.3	- 0.1
— Non Agriculture	8,530	8,752	2.6	8,699	8,721	8,716	0.3	- 0.1
In Industries	497	496	- 0.2	464	475	483	2.4	1.7
Agriculture	1,973	1,914	- 3.0	1,889	1,914	1,886	1.3	- 1.5
Manufacturing	695	692	- 0.4	631	635	642	0.6	1.1
Construction	1,649	1,739	5.5	1,710	1,732	1,737	1.3	0.3
Trade	2,623	2,758	5.1	2,768	2,754	2,749	- 0.5	- 0.2
Services								
By Regions	751	757	0.8	748	740	735	- 1.1	- 0.7
Atlantic	2,493	2,532	1.6	2,502	2,518	2,508	0.6	- 0.4
Quebec	3,691	3,828	3.7	3,777	3,781	3,831	0.1	1.3
Ontario	1,663	1,731	4.1	1,686	1,688	1,709	0.1	1.2
Prairies	1,065	1,073	0.8	1,075	1,087	1,067	1.1	- 1.8
British Columbia								
UNEMPLOYMENT RATE (%)	6.6	7.3	—	8.2	8.3	8.3	—	—
Both Sexes: 15-24	11.9	13.7	—	14.8	14.5	14.8	—	—
Men:	5.6	6.1	—	7.4	7.5	7.3	—	—
— 25 and over	3.8	3.8	—	5.0	5.1	4.8	—	—
Women:	8.2	9.4	—	9.5	9.5	9.8	—	—
— 25 and over	6.5	7.5	—	7.3	7.5	7.7	—	—
By Regions	10.2	11.6	—	12.7	12.5	13.5	—	—
Atlantic	8.6	10.0	—	10.2	10.8	11.4	—	—
Quebec	5.7	6.0	—	7.0	7.3	6.8	—	—
Ontario	3.4	3.9	—	4.9	4.8	4.8	—	—
Prairies	7.1	7.8	—	8.8	8.3	8.5	—	—
British Columbia								

CONSUMER PRICE INDEX

	Unadjusted						Seasonally Adjusted	
				% Change from Previous Year			Current Annual Rate of Change	
	Aug. 1977	Sept. 1977	Oct. 1977	Aug.	Sept.	Oct.	Sept.	Oct.
All-Items (1971 = 100)	162.5	163.4	165.0	8.3	8.4	8.8	7.4	9.5
Food	183.9	184.3	186.9	10.2	11.2	12.7	8.5	12.0
Total Ex-Food	155.0	156.1	157.3	7.6	7.4	7.3	7.2	8.8

EARNINGS AND INCOME

	Unadjusted			Seasonally Adjusted				
	Aug. 1976	Aug. 1977P	% change ¹	June 1977P	July 1977P	Aug. 1977P	% change ² July	Aug.
Average Weekly Earnings (\$)								
Industrial Composite (\$ Current)	230.49	251.72	9.2	250.15	250.19	251.72	0.0	0.6
Real (\$ 1971)	152.95	154.05	0.7	154.60	153.96	154.05	- 0.4	0.1
By Regions:								
Atlantic	203.98	222.59	9.1	221.68	222.15	222.81	0.2	
Quebec	223.31	246.22	10.3	245.46	244.98	247.01	- 0.2	0.3
Ontario	231.35	250.86	8.4	250.10	249.38	251.04	- 0.3	0.7
Prairies	228.62	251.38	10.0	248.60	248.11	250.53	- 0.2	1.0
British Columbia	263.88	285.72	8.3	283.17	283.85	282.72	0.2	- 0.4
Manufacturing:								
Average Weekly Earnings (\$)	241.87	265.13	9.6	267.08	266.30	268.05	- 0.3	0.7
Average Hourly Earnings (\$)	5.80	6.37	9.8	6.36	6.41	6.42	0.8	0.2
Average Weekly Hours	38.5	38.6	0.3	38.7	38.6	38.8	- 0.3	0.5
Total Labour Income (\$ M)	9,011.0	9,867.6	9.5	9,808.5	9,817.7	9,875.8	0.1	0.6
Wages and Salaries - Total	8,345.7	9,120.6	9.3	9,064.3	9,077.0	9,129.1	0.1	0.6
— Manufacturing	1,935.0	2,076.4	7.3	2,068.3	2,061.6	2,050.8	- 0.3	- 0.5

MAJOR COLLECTIVE BARGAINING SETTLEMENTS

	Annual		Unadjusted							Last Four Quarters
	1975	1976	1976				1977			
			I	II	III	IV	I	II	III	
(Annual compound rates of change)										
Total (Ex-Const.)	17.0	10.2	14.1	10.8	9.4	7.9	8.5	7.9	7.5	7.9
Commercial Ind.	14.9	9.5	12.5	10.3	8.9	7.0	8.0	7.4	7.4	7.4
Manufacturing	13.9	8.7	11.8	9.5	9.1	5.9	6.7	6.3	7.3	6.5

JOB VACANCIES

	Unadjusted						Seasonally Adjusted		
	1976			1977			1976	1977	
	II	III	IV	I	II	III	IV	I	II
	(numbers in thousands)								
All categories	64.6	62.3	40.3	39.7	49.7	52.2	45.6	46.8	47.8
Full-time	49.3	54.7	35.8	35.3	43.2	45.4	40.6	41.0	41.5
Long-term	15.5	20.3	13.9	12.4	13.2	15.9	15.1	13.7	14.4

¹ Per cent change from previous year.

² Per cent change from previous month.

P Preliminary.

Source: Statistics Canada, *The Labour Force*, Cat. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. 72-002. Statistics Canada, *Quarterly Report on Job Vacancies*, Cat. 71-002. Statistics Canada, *The Consumer Price Index*, Cat. 62-001. Labour Canada, *Wage Developments*, Labour Data Branch.

STRIKES AND LOCKOUTS

	1976				1977			
	I	II	III	IV	I	II	JULY	AUG.
Strikes and Lockouts	172	209	203	143	119	159	169	175
No. of Workers Involved	125,271	231,695	112,173	342,621	23,948	34,555	40,805	36,984
Man-days Lost — Total	610,433	864,817	1,466,900	927,813	215,677	346,553	466,650	404,490
— Manufacturing	421,673	296,383	501,157	278,540	110,100	207,630	176,440	197,570
Man-days Lost as a % of Estimated Working Time	0.35	0.48	0.79	0.50	0.12	0.19	0.26	0.20
— Manufacturing	1.08	0.74	1.18	0.67	0.28	0.52	0.46	0.45

MINIMUM WAGE RATES — PER HOUR

Jurisdiction	Effective Date	Experienced Adults	Youths and Students
Federal	April 1, 1976	\$2.90	under 17: \$2.65
Alberta	March 1, 1977	\$3.00	under 18: \$2.85 Part-time students under 18: \$2.50
British Columbia	June 1, 1976	\$3.00	17 and under: \$2.60
Manitoba	September 1, 1976	\$2.95	under 18: \$2.70
New Brunswick	November 1, 1976	\$2.80	no special rates
Newfoundland	January 1, 1976	\$2.50	no special rates
Nova Scotia	January 1, 1977	\$2.75	14 to 18: \$2.50
Ontario	March 15, 1976	\$2.65	Students under 18 employed less than 28 hours in a week or during a school holiday: \$2.15
Prince Edward Island	July 1, 1977	\$2.70	under 18: \$2.35
Quebec	July 1, 1977	\$3.15	under 18: \$2.95
Saskatchewan	January 1, 1977	\$3.00	no special rates
Northwest Territories	June 7, 1976	\$3.00	under 17: \$2.55
Yukon Territory	April 1, 1976	\$3.00	no special rates

¹Year-over-year % change.

²Month-to-month % change.

P Preliminary.

Source: Statistics Canada, *The Labour Force*, Cat. 71-001. Statistics Canada, *Employment, Earnings and Hours*, Cat. 72-002. Statistics Canada, *Quarterly, Report on Job Vacancies*, Cat. 71-002. Statistics Canada, *The Consumer Price Index*, Cat. 62-001. Labour Canada, Labour Data Branch, *Wage Developments, and Labour Disputes*.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, AUGUST 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976	921	1,039	1,570,940	11,609,890	0.55
1977*					
August	78	206	116,648	1,186,600	0.62
September	59	185	136,482	1,943,860	1.08
October	78	181	927,888	2,035,720	1.14
November	52	138	54,886	498,700	0.26
December	37	110	45,090	249,020	0.13
1977*					
January	47	113	29,132	227,670	0.13
February	45	111	19,272	193,140	0.12
March	69	133	23,441	226,220	0.12
April	76	160	39,133	353,400	0.21
May	60	154	32,857	359,740	0.20
June	59	162	31,675	326,520	0.17
July	51	169	40,805	466,650	0.26
August	68	175	36,984	404,490	0.20
January-August 1977*		541		2,557,840	0.18
January-August 1976		813		6,882,790	0.48

* Preliminary

WORK STOPPAGES BY INDUSTRY, AUGUST 1977 (Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Aug.)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	1	250	5,750	55,990
Fishing	0	0	0	0	20,800
Mines	4	6	2,188	13,050	92,490
Manufacturing	38	86	19,402	197,570	1,328,810
Construction	9	16	6,930	104,060	400,970
Transp. & Utilities	4	15	3,405	24,760	140,350
Trade	4	16	1,506	22,610	102,070
Finance	1	1	160	3,200	7,440
Service	3	20	948	16,250	291,080
Public Admin.	5	14	2,195	17,240	117,840
Various industries	0	0	0	0	0
TOTAL	68	175	36,984	404,490	2,557,840

WORK STOPPAGES BY JURISDICTION, AUGUST 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to Aug.)
		Number	Workers involved	Duration in man-days	
Nfld.	3	3	1,819	1,970	119,280
P.E.I.	0	0	0	0	0
N.S.	3	8	414	5,370	16,000
N.B.	6	6	1,923	8,520	20,430
Québec	14	75	8,141	132,040	1,157,910
Ontario	24	47	11,718	197,720	870,320
Manitoba	1	2	475	2,450	20,540
Saskatchewan	4	7	276	2,350	27,220
Alberta	1	6	404	5,050	56,310
B.C.	10	12	8,663	30,060	102,660
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	66	166	33,833	385,530	2,390,570
Federal Public Service(1)	1	1	2,200	6,600	12,670
Federal Industries(2)	1	8	951	12,360	154,500
Federal total	2	9	3,151	18,960	167,170
TOTAL	68	175	36,984	404,490	2,557,840

(1) Covered under the Public Service Staff Relations Act.

(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.

CANADA DEPARTMENT OF LABOUR PUBLICATIONS

Employment relations

Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. (1975 edition).

Labour data

Union Growth in Canada in the Sixties. A 202-page report containing analysis and detailed data on union membership by province and industry during the period 1957-1970. (Bilingual) Price \$5.00 (\$6.00 outside Canada). Cat. No. L41-9/1976-1.

Labour Organizations in Canada, 1974-75 (annual). A directory of labour organizations including principal officers, union publications, provincial distribution of locals, and statistics on union membership affiliation. (Bilingual). Price \$2.00 (\$2.40 outside Canada). Cat. No. L2-2/1975.

Strikes and Lockouts in Canada, 1976 (annual). Contains a variety of statistics on strikes and lockouts, including number of incidents, workers involved and duration in man-days. Information is provided on all strikes and lockouts involving 100 or more workers. (Bilingual). Price \$3.00 (\$3.60 outside Canada). Cat. No. L2-1/1976.

Wage Rates, Salaries and Hours of Labour, 1976 (annual). A series of 27 community reports and a Canada report containing information on wage rates, salaries and hours of labour at October 1, 1976. Wage rate data are provided for a number of office and service occupations, maintenance trades, labourers and specific industry occupations. Breakdowns for wage rates include major industry group, size of establishment and union/non-union (Bilingual). Various prices. Cat. No. L2-5/1976 (Community).

Working conditions in Canadian industry, 1976. Ottawa, 1977. 110p. Tables. 28cm. Paper bound. Bilingual (Report No. 20.) \$3 per copy (Canada). \$3.60 per copy (other countries). Cat. No. L2-15/1976.

Rights in employment

Women's Bureau '69 — '74. The six editions of this publication contain a total of 27 papers on such topics as, the role of women in the Canadian economy; organized labour and working women; equality in pensions for working women; equal pay; and discrimination in universities. (Bilingual). Free.

Women in the Labour Force. Facts and Figures (1976 edition). Tables of statistics on many aspects of women's participation in the labour force. Published in three parts, it contains data on labour force participation of women in Part I, data on earnings in Part II and miscellaneous data, such as participation in unions, in Part III. (Bilingual). Free.

The Law Relating to Working Women. Summarizes selected international instruments and Canadian legislation, both federal and provincial, relating to the status of women in employment. (Bilingual). Free.

Central analytical services/Legislative analysis

Labour Standards in Canada, 1975. This publication sets out the provisions of federal and provincial standards laws enacted by the end of 1975 in the areas of statutory school-leaving age, minimum age for employment, minimum wages, equal pay for equal work, hours of work, weekly rest-day, annual vacations, general holidays, termination of employment, maternity protection and severance pay. (English or French). Price \$2.00. Cat. No. L2-7/1975.

Directory/Occupational Safety and Health Legislation in Canada. Contains references to the acts and regulations aiming especially at the safety and health of working people in Canada and other legislation having an impact on the welfare of workers. Mentions the departments, ministries, boards, etc., responsible for the legislation. (Annual publication; available free on request in English or French).

Legislative Review. This semi-annual publication sets out new provisions enacted in apprenticeship and tradesmen's qualifications, employment standards, human rights, industrial relations, industrial safety and health and workmen's compensation. (Available free on request). (English or French).

Human Rights in Canada — 1976. A comparative summary of human rights legislation in all Canadian jurisdictions including major legislative developments of 1975. Available in either English or French. Price \$2.00 in Canada, \$2.40 in other countries. DSS catalogue No. L34-23/1976.

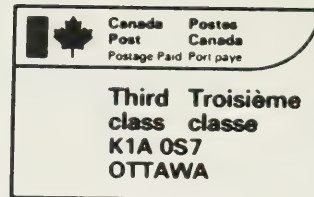
Occupational safety and health

Safety Perspective Sécurité. Periodical designed to assist employers and employees in up-grading accident prevention programs. (Bilingual). Free.

Canada Occupational Safety Manual. Intended as a guide to persons charged with developing and maintaining an accident prevention program. 1. Planning for Safety. 2. Employment Safety Audit Guide. 3. Accident Investigating and Reporting. (English or French). 50 cents each.

Bibliography, Occupational Safety and Health. Lists selection from 50,000 titles held in Technical Library. Accident Prevention Division, 1976. Free.

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